



APPENDICES

This appendix reports on all performance measures by strategic goal (and further by bureau) for which targets were set in the FY 2001 Performance Plan (as presented in the FY 2002 Justification for Appropriations and Performance Plans). For each measure, there is a definition for the measure, performance levels for three previous fiscal years (where available), the performance target and actual for the report year, and performance targets for two years beyond the report.

FY 2001 PERFORMANCE SUMMARY

The purpose of Treasury's strategic management effort is to improve *results* delivered to the American public. In its final performance plan for FY 2001 that the Department transmitted to Congress, as part of the FY 2002 budget, Treasury detailed its performance targets.

Overall, the Department established 242 performance targets in FY 2001. Of these, 15 measures were either baselined in FY 2001 or had no data available. Of the remaining 228 measures, Treasury met or exceeded 166 targets, did not meet 61 of its targets, and maintained peak performance or improved performance over FY 2000 for 110 measures.

Important Notes:

Unmet targets. Targets which were not met are explained and include a schedule for improvement.

Baselined measures. A number of our new FY 2001 measures were baselined (actuals determined) this year. Baselines facilitate target-setting in the future.

Discontinued measures. Unless otherwise noted, measures which are being discontinued after FY 2001 have been replaced with more outcome-oriented measures to better gauge program success.

Measures used in target-setting. Bureaus determined the performance measures and targets for their FY 2002 performance plan in light of the progress made in FY 2001. In some cases measures have been reworded to clarify their intent; in other cases, measures have been added or deleted to better assess progress against strategic objectives.

Additional Information. Information relating to the definitions and data validation for each measure can be found in the Department of the Treasury's FY 2002 Justification for Appropriations and Performance Plans and the Treasury GPRA Internet site at <http://www.treas.gov/gpra>.

FY 2001 Treasury-wide Performance Summary				
Total Measures	Targets Met	Targets Not Met	Other	Maximum or Improved Performance
242	166 (69%)	61 (25%)	15 (6%)	110 (46%)

E1: Promote Domestic Economic Growth

Alcohol, Tobacco & Firearms (ATF)

Performance Measure: *Number of corrections made to unsafe conditions and product deficiencies reported to ATF or discovered during ATF inspections*

Definition: Tracks the number of corrections made to unsafe conditions found in the explosives and alcohol industries, either reported to ATF or found during inspection activities.

1998 Actual	1999 Actual	2000 Actual	2001		2002 Plan	2003 Plan
			Plan	Actual		
1,071	923	1,119	850	1,209	850	850

Performance Measure: *Number of industry seminars held on ATF-regulated commodities*

Definition: The number of seminars conducted with industry members, law enforcement and the public on the laws and regulations ATF enforces.

1998 Actual	1999 Actual	2000 Actual	2001		2002 Plan	2003 Plan
			Plan	Actual		
227	229	175	175	195	175	175

Community Adjustment and Investment Program (CAIP)

Performance Measure: *Number of private sector jobs created or retained through financial assistance provided by the CAIP*

Definition: The number of private sector jobs to be created or retained as reported by financial assistance awardees. Annual targets are taken from applications, and actuals are taken from the reports of awardees. Measure has been discontinued because no additional funding has been budgeted for FY 2002 or FY 2003.

1998 Actual	1999 Actual	2000 Actual	2001		2002 Plan	2003 Plan
			Plan	Actual		
--	--	3,600	1,500	1,055	discontinued	

Explanation of FY 2001 Plan: FY 2001 target was the estimate for the three-year period of the grants. Grants got underway in the spring of 2001.

Performance Measure: *Number of private sector jobs created due to the provision of technical assistance on a project-specific basis*

Definition: The number of private sector jobs to be created or retained as reported by technical assistance awardees. Annual targets are taken from applications, and actuals are taken from the reports of awardees. Measure has been discontinued because no additional funding has been budgeted for FY 2002 or FY 2003.

1998 Actual	1999 Actual	2000 Actual	2001		2002 Plan	2003 Plan
			Plan	Actual		
--	--	500	500	99	discontinued	

Explanation of FY 2001 Plan: FY 2001 target was the estimate for the three-year period of the grants. Grants got underway in the spring of 2001.

**Appendix A: Full Report of Treasury's FY 2001 Measures by Strategic Goal
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Community Development and Financial Institutions Fund (CDFI)

Performance Measure: *Amount of technical assistance grants awarded during the year (\$ in millions)*

Definition: This measures the dollar amount in millions of technical assistance grants awarded by the CDFI Fund to Community Development Financial Institutions to expand their ability to provide services to their communities. Awards are made to smaller CDFIs under the Small and Emerging CDFI Assistance program (SECA) and to larger or more established CDFIs under the Core Component of the program.

1998 Actual	1999 Actual	2000 Actual	2001		2002 Plan	2003 Plan
			Plan	Actual		
3.0	4.0	4.0	10.0	3.6	13.0	11.0

Explanation of Shortfall: The \$10 million goal incorrectly included financial assistance awards projected to be made under the Small and Emerging CDFI Assistance (SECA) Component, and not just the technical assistance awards. Had this goal reflected just the amount of the technical assistance awards; it would have been approximately \$5.5 million. The reason the actual technical awards made during FY 2001 was less than this amount was due to a smaller number of deserving applications being received for award consideration.

Performance Measure: *Number of CDFIs receiving financial assistance by BEA applicants that submitted a final report*

Definition: This measure shows the number of CDFIs receiving financial assistance by all current-year Bank Enterprise Award (BEA) applicants that submitted a final report. A CDFI will only be counted once, even if it received financial assistance from more than one financial institution. Since this is an incentive program, this measure relates to applicant performance. The BEA Program provides financial incentives for financial institutions to increase the amount of their investments in distressed areas and provided to other CDFIs.

1998 Actual	1999 Actual	2000 Actual	2001		2002 Plan	2003 Plan
			Plan	Actual		
--	--	165	185	164	120	120

Explanation of Shortfall: There were fewer CDFIs approved for awards than was planned.

Performance Measure: *Number of certified CDFIs as of year-end*

Definition: This measures the number of community development financial institutions (CDFIs) certified by the CDFI Fund as of the end of the fiscal year.

1998 Actual	1999 Actual	2000 Actual	2001		2002 Plan	2003 Plan
			Plan	Actual		
262	334	415	450	468	495	525

Performance Measure: *Number of states/territories (and District of Columbia) to date with at least one CDFI program awardee*

Definition: This measures the number of U.S. states and territories that have at least one CDFI awardee. It is a cumulative number, from inception of the Funds.

1998 Actual	1999 Actual	2000 Actual	2001		2002 Plan	2003 Plan
			Plan	Actual		
44	49	52	53	53	53	53

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Performance Measure: <i>Number of organizations that receive technical assistance awards during the year</i>						
Definition: This measures the number of CDFIs that receive technical assistance grants during the year.						
1998 Actual	1999 Actual	2000 Actual	2001		2002 Plan	2003 Plan
			Plan	Actual		
70	88	87	80	84	95	86
Performance Measure: <i>Non-Federal matching funds raised by CFDIs during the year (\$ in millions)</i>						
Definition: This measures the dollar amount in millions of Non-Federal matching funds raised by CFDIs during the year. The Fund requires that awardees receiving CDFI financial assistance grants obtain non-Federal matching funds in the form and value similar to those provided by the Fund.						
1998 Actual	1999 Actual	2000 Actual	2001		2002 Plan	2003 Plan
			Plan	Actual		
--	--	52	55	185	110	105
Performance Measure: <i>Number of CFDIs receiving financial assistance from Treasury</i>						
Definition: Measures the number of CFDIs that received a financial assistance award during the year under the Core, Intermediary, and Small and Emerging CDFI Assistance program (SECA) components. This excludes any CFDIs receiving just a technical assistance award. The larger the number of CFDIs, the greater the impact they will have in low-income and distressed areas.						
1998 Actual	1999 Actual	2000 Actual	2001		2002 Plan	2003 Plan
			Plan	Actual		
42	60	77	58	94	65	55
Performance Measure: <i>Number of BEA applicants that submitted a final report that provided financial assistance to CFDIs</i>						
Definition: This measure shows the number of Bank Enterprise Award (BEA) applicants who have submitted a final report indicating they provided financial assistance to CFDIs. Since this is an incentive program, this measure relates to applicant performance.						
1998 Actual	1999 Actual	2000 Actual	2001		2002 Plan	2003 Plan
			Plan	Actual		
--	--	130	164	181	111	115
Performance Measure: <i>Increase in dollar amount of community development loans, investments and services in distressed communities by BEA applicants that submitted a final report (assessment period over baseline period) (\$ in millions)</i>						
Definition: This measure shows the dollar increase in millions in the investments made by financial institutions in distressed communities by all current-year Bank Enterprise Award (BEA) applicants that submitted a final report. Since this is an incentive program, this measure relates to applicant performance.						
1998 Actual	1999 Actual	2000 Actual	2001		2002 Plan	2003 Plan
			Plan	Actual		
--	--	166	100	250	185	100

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Performance Measure: *Dollar amount of private sector investment in community development entities resulting from New Markets Tax Credit Program*

Definition: This new measure will show the amount of investments that Community Development Entities (CDEs) receive from the private sector. The New Markets Tax Credit Program will spur economic growth in low-income communities by providing income tax credits to CDEs. CDEs will attract investments from private investors by providing them with a tax credit equal to a percent of the amount invested. CDEs will in turn invest amounts received from the private investors in low-income communities in the form of investments and loans.

1998 Actual	1999 Actual	2000 Actual	2001		2002 Plan	2003 Plan
			Plan	Actual		
--	--	--	baseline	--	baseline	tbd

Explanation of Shortfall: This is a new program, which has not yet been implemented, so no investments have yet been made by CDEs.

Performance Measure: *Number of first-time awardees under the Technical Assistance and Small and Emerging CDFI Assistance components*

Definition: This measures the number of awardees that have not previously received any award from the fund and is an indicator of the number of smaller CDFIs receiving awards under the Technical Assistance and Small and Emerging CDFI Assistance (SECA) components. By definition, SECA awardees cannot have received a prior financial assistance award from the Fund, but may have received a prior technical assistance award.

1998 Actual	1999 Actual	2000 Actual	2001		2002 Plan	2003 Plan
			Plan	Actual		
--	--	49	40	52	45	45

Performance Measure: *Amount of financial assistance provided to CDFIs by BEA applicants that submitted a final report (\$ in millions)*

Definition: This measure shows the dollar amount in millions of financial assistance provided by financial institutions to CDFIs by all current-year Bank Enterprise Award (BEA) applicants that submitted a final report. Since this is an incentive program, this measure relates to applicant performance.

1998 Actual	1999 Actual	2000 Actual	2001		2002 Plan	2003 Plan
			Plan	Actual		
--	--	244	275	275	148	150

Office of the Comptroller of the Currency (OCC)

Performance Measure: *Percentage of regulations and handbooks drafted that incorporate plain language criteria*

Definition: Percentage of final rules issued that incorporate at least one or more of the techniques outlined in the Presidential Memorandum dated June 1, 1998.

1998 Actual	1999 Actual	2000 Actual	2001		2002 Plan	2003 Plan
			Plan	Actual		
--	--	--	100	100	100	100

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Performance Measure: <i>Percentage of on-time performance for processing corporate applications</i>						
Definition: The percentage is derived from non-protested applications for which on-time performance is maintained. On-time performance is defined as processing applications within the targeted time frames the OCC has established for each application type. A targeted time frame is a specified number of calendar days -- for each application type -- from the date of receipt (or in some cases, publication of application by applicant established by OCC). On-time has variations depending on application type and if the application qualifies for expedited processing (applications filed by eligible banks qualify - with time frames specified in appropriate sections of 12 CFR 5). Targeted time frames are published by the OCC and made available for all applicants in the Comptroller's Corporate Manual.						
1998 Actual	1999 Actual	2000 Actual	2001		2002 Plan	2003 Plan
			Plan	Actual		
95	95	96	95	96	95	95
Performance Measure: <i>Statement of reasonable assurance under the FMFIA and substantial compliance under the FFMIA is issued</i>						
Definition: The annual statement is a requirement based on Federal Manager's Financial Integrity Act (FMFIA) and OMB Circular A-123 on the adequacy of agency management and accounting control systems based on an ongoing review of controls. Providing a statement of assurance indicates the overall adequacy and effectiveness of management controls in the OCC.						
1998 Actual	1999 Actual	2000 Actual	2001		2002 Plan	2003 Plan
			Plan	Actual		
--	--	unmet	meet	unmet	meet	meet
Explanation of Shortfall: The performance goal was established based on a 2001 calendar year. The OCC implemented a new financial management system on October 1, 2001, which was the final action needed to issue a positive assurance statement with respect to FMFIA and Federal Financial Management Improvement Act (FFMIA) requirements. Because OCC changed from a calendar year to fiscal year reporting, qualified assurance for Section 4 FMFIA and noncompliance for FFMIA will be issued for 2001.						
Performance Measure: <i>Percentage of bank examinations conducted as scheduled</i>						
Definition: The percentage is derived from examinations past due divided by the number of examinations due (except those approved exceptions related to conversions, mergers, system conversions, etc.)						
1998 Actual	1999 Actual	2000 Actual	2001		2002 Plan	2003 Plan
			Plan	Actual		
92	92	98	95	94	100	100
Explanation of Shortfall: Due to OCC's conversion from a calendar year to a fiscal year, 2001 actual data is for nine months (January - September 2001). As a result of the conversion and migration of data to a new examination monitoring and tracking system, minor data inaccuracies caused a small percentage of examinations to begin shortly after their "official" due dates under the Federal Deposit Insurance Corporation Improvement Act. Thus, the OCC did not meet the target of 95% of bank examinations commencing as scheduled. During the first part of the year, data integrity validation corrected the issue.						
Performance Measure: <i>Average time to process customer complaints and consumer inquiries (in days)</i>						
Definition: The average complaint processing time is determined by averaging the number of days from receipt of a complaint to resolution of that complaint for all of the complaints resolved during a calendar quarter.						
1998 Actual	1999 Actual	2000 Actual	2001		2002 Plan	2003 Plan
			Plan	Actual		
40	45	51	50	46	50	50

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Performance Measure: *Percentage of capital projects for major systems meeting funding, schedule and performance targets*

Definition: Achieving the milestones for the system implementations is key in providing a means for better resource management in the OCC. The implementation milestones and deliverables are defined as part of the program's work plan. Major systems include the Financial Management Information System and PeopleSoft Human Resources System.

1998 Actual	1999 Actual	2000 Actual	2001		2002 Plan	2003 Plan
			Plan	Actual		
--	--	--	100	100	100	100

Performance Measure: *Percentage of planned training accomplished*

Definition: By September 30, 2001, 90% of the scheduled internal training sessions for time period January 1, 2001-September 30, 2001 have been held as planned.

1998 Actual	1999 Actual	2000 Actual	2001		2002 Plan	2003 Plan
			Plan	Actual		
--	--	--	90	90	90	90

Office of Thrift Supervision (OTS)

Performance Measure: *Percentage of thrift survey responses that rate the examination process as being "satisfactory" or "better than satisfactory"*

Definition: The customer service plan for the examination process was published in 1994. When an institution receives a Safety and Soundness, Compliance, Community Reinvestment Act, or Information Systems examination, it also receives a survey form, the purpose of which is to assess OTS's performance against the customer service plan. The current survey form contains 11 questions, each measuring one aspect of the performance of the examination team. The performance measure is calculated by dividing the number of surveys that received a positive response by the number of surveys received during the period.

1998 Actual	1999 Actual	2000 Actual	2001		2002 Plan	2003 Plan
			Plan	Actual		
99.0	98.4	99.0	95.0	98.8	95.0	tbd

Performance Measure: *Percentage of regulatory staff who will receive at least 30 hours of training designed to keep them current in regulatory issues and industry developments*

Definition: One aspect of OTS's regulatory oversight is its focus on dynamic, needs-based employee training. OTS's new Professional Development Program enables examiners to assess their training and development needs, which in turn, identifies needed areas of training. OTS will calculate this measurement by dividing the number of regulatory staff who received at least 30 hours of training by the total number of regulatory staff.

1998 Actual	1999 Actual	2000 Actual	2001		2002 Plan	2003 Plan
			Plan	Actual		
--	--	69	60	28	60	tbd

Explanation of Shortfall: Two events had a detrimental effect on successfully completing this performance measure: 1) the events of September 11, 2001 caused the cancellation of many training classes that would have required air travel by the participants; 2) OTS's conversion to fiscal year for budget and GPRA purposes resulted in the 2001 performance measures being calculated over a nine-month rather than a 12-month period. The three-month shortfall was not envisioned at the beginning of 2001 when the target was set.

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Performance Measure: *Percentage of thrift institutions that, within sixty days of having received an unsatisfactory safety and soundness rating, are either subject to a formal or informal enforcement action or have had such action waived*

Definition: OTS employs its enforcement powers to advance the agency's supervisory mission of maintaining a safe and sound thrift industry. Most new enforcement cases focus on correcting unsafe and unsound practices in thrifts before they result in the institution becoming undercapitalized. OTS computes this measure by using a management report, prepared monthly, which tracks institutions that have been rated 4 or 5 and also tracks whether these 4 or 5 rated institutions have received an enforcement action or decision for enforcement action within 60 days of the examination report.

1998 Actual	1999 Actual	2000 Actual	2001		2002 Plan	2003 Plan
			Plan	Actual		
--	86.7	100	100	100	100	tbd

Performance Measure: *Percentage of thrift institutions that, within sixty days of having received an unsatisfactory compliance rating, are either subject to a formal or informal enforcement action or have had such action waived*

Definition: Each institution receives a compliance rating from 1 to 5 following its compliance examination, and the ratings are entered into the Examination Data System (EDS). OTS measures this standard using a Thrift Information Management (TIM) report. OTS computes this measure by tracking institutions that have been rated 4 or 5 and also tracking whether these 4 or 5 rated institutions have received an enforcement action or decision for enforcement action within 60 days of the examination report.

1998 Actual	1999 Actual	2000 Actual	2001		2002 Plan	2003 Plan
			Plan	Actual		
--	100	100	100	100	100	tbd

Performance Measure: *Percentage of OTS-regulated thrift institutions that are either at least adequately capitalized, operating under an approved Capital Plan or PCA Directive, have been undercapitalized for less than 150 days, or have received prior approval by the Deputy Director for exceeding the 150-day timeframe for issuance of a PCA Directive*

Definition: This measure addresses both of the objectives of Prompt Corrective Action (PCA): 1) to recapitalize undercapitalized thrifts at the least cost to the deposit insurance fund; and 2) to do it "promptly." The statute requires that institutions submit capital restoration plans within 45 days of becoming "undercapitalized," and for the agency to act on the capital plan within 60 days. OTS acts on capital plans through the issuance of a PCA directive. The measurement allows 150 days from the thrift becoming "undercapitalized," to issue the PCA Directive. This time frame includes notification, capital plan submission, review, decision on the capital plan, and issuance of the Directive.

1998 Actual	1999 Actual	2000 Actual	2001		2002 Plan	2003 Plan
			Plan	Actual		
--	99.9	100	100	100	100	tbd

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Performance Measure: *Number of service plans that met their standards divided by the total number of service plans*

Definition: OTS believes its primary stakeholders are the thrift institutions it charters, examines and supervises and the customers these institutions serve. Customer Service Plans for the Examination Process, Congressional Correspondence, Interpretive Opinions and Consumer Assistance have been published. Every office with a published service plan reports to the OTS Ombudsman on a quarterly basis regarding whether it is meeting its stated service standards. This measure is calculated by dividing the number of service plans that met their stated goals 80 percent of the time by the total number of service plans.

1998 Actual	1999 Actual	2000 Actual	2001		2002 Plan	2003 Plan
			Plan	Actual		
83.3	80	100	100	50	100	tbd

Explanation of Shortfall: Standards in the Congressional Correspondence service plan were met 75% of the time; the standards in the Consumer Assistance customer service plan were met 55% of the time. OTS projects that the standards in the Congressional Correspondence Plan will be met during 2002 as the calculation period will be 12 months (rather than 9 months as it is for 2001). During 2001 Compliance Policy successfully resolved 55% of all consumer complaints within 30 days and the average complaint was resolved in 33 days. As Compliance Policy was not able to reliably confirm the "either/or" aspect of this performance measure, the overall percentage success rate is being reported as 55%. During 2002, with the full implementation of OTS's new Consumer Complaint System and subsequent system updates, OTS's tracking abilities will improve.

Performance Measure: *Percentage of thrifts that received safety and soundness examinations of those scheduled*

Definition: OTS performs safety and soundness examinations of its regulated institutions based on the OTS Examination Policy consistent with the requirements in Federal Deposit Insurance Corporation Improvement Act (FDICIA) as amended by the Riegle Community Development and Regulatory Improvement Act of 1994. Compliance (including Community Reinvestment Act), trust, holding company, and information systems examinations, are conducted pursuant to internally generated examination frequency requirements. The measure is calculated separately for each examination type by dividing the number of examinations that were conducted by the number of examinations that were scheduled to be conducted. This measure will continue as an internal operating measure only.

1998 Actual	1999 Actual	2000 Actual	2001		2002 Plan	2003 Plan
			Plan	Actual		
96.6	97.9	98.3	95	100	discontinued	

Performance Measure: *Percentage of thrifts that received compliance examinations of those scheduled*

Definition: OTS performs safety and soundness examinations of its regulated institutions based on the OTS Examination Policy consistent with the requirements in Federal Deposit Insurance Corporation Improvement Act (FDICIA) as amended by the Riegle Community Development and Regulatory Improvement Act of 1994. Compliance (including Community Reinvestment Act), trust, holding company, and information systems examinations, are conducted pursuant to internally generated examination frequency requirements. The measure is calculated separately for each examination type by dividing the number of examinations that were conducted by the number of examinations that were scheduled to be conducted. This measure will continue as an internal operating measure only.

1998 Actual	1999 Actual	2000 Actual	2001		2002 Plan	2003 Plan
			Plan	Actual		
98.3	99.3	98.6	95	100	discontinued	

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Performance Measure: *Percentage of thrifts that received holding company examinations of those scheduled*

Definition: OTS performs safety and soundness examinations of its regulated institutions based on the OTS Examination Policy consistent with the requirements in Federal Deposit Insurance Corporation Improvement Act (FDICIA) as amended by the Riegle Community Development and Regulatory Improvement Act of 1994. Compliance (including Community Reinvestment Act), trust, holding company, and information systems examinations, are conducted pursuant to internally generated examination frequency requirements. The measure is calculated separately for each examination type by dividing the number of examinations that were conducted by the number of examinations that were scheduled to be conducted. This measure will continue as an internal operating measure only.

1998 Actual	1999 Actual	2000 Actual	2001		2002 Plan	2003 Plan
			Plan	Actual		
86.7	87.8	91.1	90	95	discontinued	

Performance Measure: *Percentage of thrifts that received information systems examinations of those scheduled*

Definition: OTS performs safety and soundness examinations of its regulated institutions based on the OTS Examination Policy consistent with the requirements in Federal Deposit Insurance Corporation Improvement Act (FDICIA) as amended by the Riegle Community Development and Regulatory Improvement Act of 1994. Compliance (including Community Reinvestment Act), trust, holding company, and information systems examinations, are conducted pursuant to internally generated examination frequency requirements. The measure is calculated separately for each examination type by dividing the number of examinations that were conducted by the number of examinations that were scheduled to be conducted. This measure will continue as an internal operating measure only.

1998 Actual	1999 Actual	2000 Actual	2001		2002 Plan	2003 Plan
			Plan	Actual		
--	--	102	90	100	discontinued	

Performance Measure: *Percentage of thrifts that received trust examinations of those scheduled*

Definition: OTS performs safety and soundness examinations of its regulated institutions based on the OTS Examination Policy consistent with the requirements in Federal Deposit Insurance Corporation Improvement Act (FDICIA) as amended by the Riegle Community Development and Regulatory Improvement Act of 1994. Compliance (including Community Reinvestment Act), trust, holding company, and information systems examinations, are conducted pursuant to internally generated examination frequency requirements. The measure is calculated separately for each examination type by dividing the number of examinations that were conducted by the number of examinations that were scheduled to be conducted. This measure will continue as an internal operating measure only.

1998 Actual	1999 Actual	2000 Actual	2001		2002 Plan	2003 Plan
			Plan	Actual		
87.5	82.8	91.3	90	100	discontinued	

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Performance Measure: *Percentage of examination reports reviewed that are deemed generally consistent with OTS examination policies and procedures*

Definition: OTS believes that examination reports should effectively communicate safety and soundness concerns to boards of directors, and that OTS's supervisory efforts should be responsive to thrift management's concerns. OTS's Quality Assurance Program (QA) solicits input from thrift managers on examination issues and the QA reviews a statistical sample of examination reports for clarity and consistency with national examination policies. The performance measure is calculated by dividing the number of examination reports found to be consistent with national policy by the total number of examination reports reviewed. This measure will continue as an internal operating measure only.

1998 Actual	1999 Actual	2000 Actual	2001		2002 Plan	2003 Plan
			Plan	Actual		
99	100	100	99	99	discontinued	

Performance Measure: *Percentage of identified community development-related regulatory barriers addressed (either investment authority or CRA)*

Definition: Community development-related regulatory barriers would include barriers pertaining to both investment authority and Community Reinvestment Act (CRA). Interpretations of, changes to, and guidance about the subject regulations would be an acceptable means for addressing the regulatory barriers. With respect to CRA, such guidance is generally done on an interagency basis, which frequently requires extensive consultations. This measure has been discontinued on the grounds that OTS does not have sufficient control over regulatory barriers to include barriers addressed as an OTS performance measure.

1998 Actual	1999 Actual	2000 Actual	2001		2002 Plan	2003 Plan
			Plan	Actual		
--	73	57	65	50	discontinued	

Explanation of Shortfall: At the end of the FY 2001, three regulatory barriers are pending. Two issues have been referred to other regulatory agencies; one issue is being addressed on an interagency basis.

Performance Measure: *Percentage of thrifts with less than satisfactory CRA ratings assigned to which OTS offers or provides one-on-one community development related outreach and technical assistance to within 60 days of completion of the examination*

Definition: Part of OTS's long-term strategic goal is to support the industry's efforts to meet its Community Reinvestment Act (CRA) obligations. Thus, OTS offers technical assistance to each institution that receives a "Needs to Improve" or lower CRA rating. The assistance will be offered by either the Community Affairs program staff or the Compliance Examination staff. This measure will continue as an internal operating measure only.

1998 Actual	1999 Actual	2000 Actual	2001		2002 Plan	2003 Plan
			Plan	Actual		
--	100	100	100	100	discontinued	

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Performance Measure: *Percentage of thrift participants to those targeted*

Definition: Each year the Community Affairs staff establishes a program agenda for Washington and the regional offices that set forth goals for the year that are approved by senior management. The purpose of the Community Affairs program is to further OTS's long-term goal of supporting the thrift industry's efforts to meet their Community Reinvestment Act obligations, and to provide safe and sound loans, investments and financial services for low and moderate income individuals, communities, and other areas of greatest need. OTS will measure how much was accomplished relative to what was planned. This measure will continue as an internal operating measure only.

1998 Actual	1999 Actual	2000 Actual	2001		2002 Plan	2003 Plan
			Plan	Actual		
--	--	45	50	71	discontinued	

Performance Measure: *Percentage of targeted new areas or groups reached*

Definition: Each year the Community Affairs staff establishes a program agenda for Washington and the regional offices that set forth goals for the year that are approved by senior management. The purpose of the Community Affairs program is to further OTS's long-term goal of supporting the thrift industry's efforts to meet their Community Reinvestment Act obligations, and to provide safe and sound loans, investments and financial services for low and moderate income individuals, communities, and other areas of greatest need. OTS will measure how much was accomplished relative to what was planned. This measure will continue as an internal operating measure only.

1998 Actual	1999 Actual	2000 Actual	2001		2002 Plan	2003 Plan
			Plan	Actual		
--	--	96.5	90	131	discontinued	

Explanation: Due to the hiring of an additional staff person in the national office during 2001, the Community Affairs Program outreach efforts were substantially increased. As a result, a significant number of new areas and new groups were reached during this period.

Performance Measure: *Percentage of planned outreach, training, or partnership-building events OTS sponsored or participated in*

Definition: Each year the Community Affairs staff establishes a program agenda for Washington and the regional offices that set forth goals for the year that are approved by senior management. The purpose of the Community Affairs program is to further OTS's long-term goal of supporting the thrift industry's efforts to meet their Community Reinvestment Act obligations, and to provide safe and sound loans, investments and financial services for low and moderate income individuals, communities, and other areas of greatest need. OTS will measure how much was accomplished relative to what was planned. This measure will continue as an internal operating measure only.

1998 Actual	1999 Actual	2000 Actual	2001		2002 Plan	2003 Plan
			Plan	Actual		
--	--	100	90	104	discontinued	

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Performance Measure: *Meet the application processing timeframes except when an application contains an issue of law or policy*

Definition: The mission of OTS applications program is to ensure that applications are processed within established timeframes and that decisions are consistent with current OTS regulations and policies. All applications, unless eligible for expedited treatment, should be processed to a decision within 60 days from the date they are deemed complete, unless they raise issues of law or policy. Expedited applications should be processed within 30 days from the date they are deemed complete. The performance measure is calculated by dividing the number of applications that were processed within the established timeframes by the total number of applications received. This measure will continue as an internal operating measure only.

1998 Actual	1999 Actual	2000 Actual	2001		2002 Plan	2003 Plan
			Plan	Actual		
98.9	98.3	98.1	98	99.6	discontinued	

Performance Measure: *Percentage of planned regulatory reinvention projects completed in question and answer plain language format*

Definition: One of OTS's continuing initiatives is to reduce the regulatory burden on thrifts and to rewrite our regulations in plain language question and answer format. This format makes our regulations easier to understand and enables savings institutions to find the information they need more quickly. The measure is calculated by dividing the number of regulatory projects completed in plain language question and answer format by the number of OTS regulatory projects planned to be completed in that format. This measure will continue as an internal operating measure only.

1998 Actual	1999 Actual	2000 Actual	2001		2002 Plan	2003 Plan
			Plan	Actual		
80	100	100	85	100	discontinued	

Performance Measure: *Number of new partnerships formed, activities/programs commenced or investments made as a result of training, or partnership building activities*

Definition: Each OTS regional office will follow up periodically with thrifts and others with whom it has worked directly (through outreach, training, partnership building and one-on-one assistance) to determine whether an investment was made, partnership was formed or activity commenced as a result of the office's work. OTS will report on those investments, partnerships or activities that it becomes aware of.

1998 Actual	1999 Actual	2000 Actual	2001		2002 Plan	2003 Plan
			Plan	Actual		
--	26	28	26	27	26	tbd

Performance Measure: *The events participated in or presentations given by senior management on community development related topics*

Definition: Each regional office and Washington will track and report on the number of speeches and presentations given by senior management that include significant discussion of community development related topics. This measure will continue as an internal operating measure only.

1998 Actual	1999 Actual	2000 Actual	2001		2002 Plan	2003 Plan
			Plan	Actual		
--	25	23	25	25	discontinued	

E2: Maintain U.S. Leadership on Global Economic Issues

U.S. Customs Service (Customs)

Performance Measure: *Trade compliance level*

Definition: The Trade Compliance Rate measure is expressed as a percentage of cargo entry lines that are compliant in terms of the major transactions for the entire spectrum of imports. This measure is calculated by dividing the total number of entry lines into the estimated total number of compliance entry lines based on Compliance Measurement data.

1998 Actual	1999 Actual	2000 Actual	2001		2002 Plan	2003 Plan
			Plan	Actual		
81	83	90	90	91	90%	tbd

Explanation of FY 2003 Plan: Customs's FY 2003 Annual Performance Plan was under review at the time of publication.

Performance Measure: *Compliance with trade laws in key industries*

Definition: The Trade Compliance Level for Primary Focus Industries (PFI) is calculated to be the total number of compliant lines as a percentage of total number of entry lines for individual PFI and/or for all PFI combined. Both the numerator and the denominator in the calculation are estimated using Compliance Measurement data. This measure is expressed in terms of major transaction definitions of discrepancies.

1998 Actual	1999 Actual	2000 Actual	2001		2002 Plan	2003 Plan
			Plan	Actual		
84	85	91	93	91	94%	tbd

Explanation of Shortfall: The measure of trade compliance for PFI's is based on statistically valid random examination of cargo. Results have remained constant for the last three years. Minor fluctuations of data are normal and to be expected. Studies have suggested that Customs re-assess the planned targets because Customs may have maximized compliance as measured through this methodology.

Explanation of FY 2003 Plan: Customs's FY 2003 Annual Performance Plan was under review at the time of publication.

Performance Measure: *Compliance with NAFTA*

Definition: The compliance rate is the percentage of North American Free Trade Agreement (NAFTA) compliance measurement exams that were found to be valid based on a verification of the claim.

1998 Actual	1999 Actual	2000 Actual	2001		2002 Plan	2003 Plan
			Plan	Actual		
94	94	94	95	96	95	tbd

Explanation of FY 2003 Plan: Customs's FY 2003 Annual Performance Plan was under review at the time of publication.

Performance Measure: *Compliance with key export requirements: accounts*

Definition: The percentage of total numbers of bills of lading filed timely compared to late filed documents.

1998 Actual	1999 Actual	2000 Actual	2001		2002 Plan	2003 Plan
			Plan	Actual		
--	--	--	baseline	92.5	92.0	tbd

Explanation of FY 2003 Plan: Customs's FY 2003 Annual Performance Plan was under review at the time of publication.

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Performance Measure: <i>Number of seizures for outbound licensing violations</i>						
Definition: The number of seizures of Outbound Licensing Violations includes the number of outbound violations of the following sets of regulations: Interdiction of Traffic and Arms Regulations; Export Administration Regulations and Office of Foreign Assets Control for economic sanctions against countries identified as hostile to U.S. interests. The number is the number of incidents, not articles.						
1998 Actual	1999 Actual	2000 Actual	2001		2002 Plan	2003 Plan
			Plan	Actual		
1,798	1,067	736	695	827	730	tbd
Explanation of FY 2003 Plan: Customs's FY 2003 Annual Performance Plan was under review at the time of publication.						
Performance Measure: <i>Stolen vehicles seized</i>						
Definition: The number of stolen vehicles seized annually by Customs officers that are intended to be exported from the United States. Included are the seized vehicles that are intended to be exported and would result in being stolen subsequent to the export because of fraud.						
1998 Actual	1999 Actual	2000 Actual	2001		2002 Plan	2003 Plan
			Plan	Actual		
--	816	667	750	463	800	tbd
Explanation of Shortfall: The shortfall can be attributed to a change in smuggling techniques being used.						
Explanation of FY 2003 Plan: Customs's FY 2003 Annual Performance Plan was under review at the time of publication.						
Performance Measure: <i>Outbound enforcement targeting effectiveness</i>						
Definition: Outbound enforcement targeting effectiveness is the total number of positive examinations divided by the total number of targeted examinations. This measure captures the targeting effectiveness for all manually targeted exams recorded in the Outbound Targeting and Tracking System and all other exams targeted by the Automated Export System. Both sets of data are combined and a percentage expressed. Data supporting this measure is extracted into the Operations Management Reports.						
1998 Actual	1999 Actual	2000 Actual	2001		2002 Plan	2003 Plan
			Plan	Actual		
11.0	11.5	9.3	8.0	9.54	10	tbd
Explanation of FY 2003 Plan: Customs's FY 2003 Annual Performance Plan was under review at the time of publication.						
Performance Measure: <i>Number of AES participants</i>						
Definition: The number Automated Export System (AES) participants are unique exporters represented by filers on their behalf, who participate in AES.						
1998 Actual	1999 Actual	2000 Actual	2001		2002 Plan	2003 Plan
			Plan	Actual		
7,652	33,665	222,619	250,000	490,053	275,000	tbd
Explanation of FY 2003 Plan: Customs's FY 2003 Annual Performance Plan was under review at the time of publication.						

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Departmental Offices (DO)

Performance Measure: *Economic conditions in developing countries*

Definition: This measures the overall percent change in Gross Domestic Product (GDP) from the prior calendar year for all developing countries.

CY 1998 Actual	CY 1999 Actual	CY 2000 Actual	CY 2001		CY 2002 Plan	CY 2003 Plan
			Plan	Actual		
3.5	3.9	5.8	GDP growth	4.0	GDP growth	GDP growth

Performance Measure: *Level of U.S. direct investment abroad (\$ in billions)*

Definition: Direct investments are those where the U.S. investor owns more than 10% of the equity in a foreign company.

CY 1998 Actual	CY 1999 Actual	CY 2000 Actual	CY 2001		CY 2002 Plan	CY 2003 Plan
			Plan	Actual		
1,014	1,131	1,245	growth	data not available	growth	growth

Explanation of FY 2001 Actual: Data will not be available until July 2002.

Performance Measure: *U.S. meets current financing commitments and pays all arrears to multilateral development banks (\$ in millions)*

Definition: This measures the amount of unpaid commitments (arrears) the U.S. owes to the multilateral development banks.

FY 1998 Actual	FY 1999 Actual	FY 2000 Actual	FY 2001		FY 2002 Plan	FY 2003 Plan
			Plan	Actual		
638	335	451	499	499	533	355

Performance Measure: *Economic conditions in transitional countries*

Definition: This measures the overall percent change in Gross Domestic Product (GDP) from the prior calendar year for all transitional countries.

CY 1998 Actual	CY 1999 Actual	CY 2000 Actual	CY 2001		CY 2002 Plan	CY 2003 Plan
			Plan	Actual		
-0.8	3.6	6.3	GDP growth	4.9	GDP growth	GDP growth

Performance Measure: *Dollar value of U.S. exports of goods and services (\$ in billions)*

Definition: This measures the value of goods and services the U.S. exports to other countries.

CY 1998 Actual	CY 1999 Actual	CY 2000 Actual	CY 2001		CY 2002 Plan	CY 2003 Plan
			Plan	Actual		
933	957	1,066	1,000	1,004	growth	growth

Performance Measure: *Economic conditions in foreign countries that are major U.S. trading partners - European Union (Euro Area)*

Definition: This measures the percent change over the prior year in gross domestic product of the European Union (Euro Area) - a major U.S. trading partner.

CY 1998 Actual	CY 1999 Actual	CY 2000 Actual	CY 2001		CY 2002 Plan	CY 2003 Plan
			Plan	Actual		
2.9	2.6	3.4	GDP growth	1.5	GDP growth	GDP growth

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Performance Measure: *Economic conditions in foreign countries that are major U.S. trading partners - China*

Definition: This measures the percent change over the prior year in gross domestic product of China - a major U.S. trading partner.

CY 1998 Actual	CY 1999 Actual	CY 2000 Actual	CY 2001		CY 2002 Plan	CY 2003 Plan
			Plan	Actual		
7.8	7.1	7.7	GDP growth	7.3	GDP growth	GDP growth

Performance Measure: *Economic conditions in foreign countries that are major U.S. trading partners - United Kingdom*

Definition: This measures the percent change over the prior year in gross domestic product of the United Kingdom - a major U.S. trading partner.

CY 1998 Actual	CY 1999 Actual	CY 2000 Actual	CY 2001		CY 2002 Plan	CY 2003 Plan
			Plan	Actual		
3.0	2.1	3.0	GDP growth	2.4	GDP growth	GDP growth

Performance Measure: *Economic conditions in foreign countries that are major U.S. trading partners - Mexico*

Definition: This measures the percent change over the prior year in gross domestic product of Mexico - a major U.S. trading partner.

CY 1998 Actual	CY 1999 Actual	CY 2000 Actual	CY 2001		CY 2002 Plan	CY 2003 Plan
			Plan	Actual		
5.0	3.7	6.7	GDP growth	0.0	GDP growth	GDP growth

Explanation for CY 2001 Actual: Economic growth in other countries is determined by a range of factors outside of the control of the United States or the Treasury Department. While the Secretary encourages his counterparts in other countries to take steps to promote economic growth, their governments bear the responsibility for addressing their own economic problems and challenges.

Performance Measure: *Economic conditions in foreign countries that are major U.S. trading partners - Japan*

Definition: This measures the percent change over the prior year in gross domestic product of Japan - a major U.S. trading partner.

CY 1998 Actual	CY 1999 Actual	CY 2000 Actual	CY 2001		CY 2002 Plan	CY 2003 Plan
			Plan	Actual		
-1.0	0.7	2.2	GDP growth	-0.4	GDP growth	GDP growth

Explanation for CY 2001 Actual: Economic growth in other countries is determined by a range of factors outside of the control of the United States or the Treasury Department. While the Secretary encourages his counterparts in other countries to take steps to promote economic growth, their governments bear the responsibility for addressing their own economic problems and challenges.

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Performance Measure: <i>Economic conditions in foreign countries that are major U.S. trading partners - Canada</i>						
Definition: This measures the percentage change over the prior year in gross domestic product of Canada - a major U.S. trading partner.						
CY 1998 Actual	CY 1999 Actual	CY 2000 Actual	CY 2001		CY 2002 Plan	CY 2003 Plan
			Plan	Actual		
3.9	5.1	4.4	GDP growth	1.5	GDP growth	GDP growth

F1: Manage the Federal Government's Accounts

Financial Management Service (FMS)

Performance Measure: *FMS will collect electronically the total dollar amount of Federal government receipts*

Definition: This measure considers the percentage of government collections that are collected by electronic mechanisms (Electronic Federal Tax Payment System, Plastic Card, FEDWIRE Deposit System, Automated Clearinghouse) compared to total government collections.

1998 Actual	1999 Actual	2000 Actual	2001		2002 Plan	2003 Plan
			Plan	Actual		
68.5	72	75	78	75.3	80	80

Explanation of Shortfall: The FY 2001 goal was not met because economic conditions and the events on September 11 resulted in the current users of the Electronic Federal Tax Payment System (EFTPS) making smaller tax payments by Electronic Funds Transfer (EFT) than expected. In September 2001, Treasury launched EFTPS On-line which will enable taxpayers to make payments over the Internet. It is expected that this will increase EFTPS usage in the future.

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F2: Ensure All Federal Payments are Accurate and Timely

Financial Management Service (FMS)

Performance Measure: *FMS will make paper check and electronic funds transfer (EFT) payments on time*

Definition: This measure rates the effectiveness of the payments issuance process. "On time" means that FMS releases checks to the U.S. Postal Service and EFT payments to the Federal Reserve Bank such that normal delivery by them will result in timely receipt by the payees. Indicator is the percent on time.

1998 Actual	1999 Actual	2000 Actual	2001		2002 Plan	2003 Plan
			Plan	Actual		
--	--	--	100	100	100	100

Performance Measure: *FMS will make paper check and electronic funds transfer (EFT) payments accurately*

Definition: The measure is the percentage of check and EFT payments that FMS makes which are not duplicate or double payments.

1998 Actual	1999 Actual	2000 Actual	2001		2002 Plan	2003 Plan
			Plan	Actual		
--	--	--	100	100	100	100

Performance Measure: *FMS will adjudicate forgery and non-receipt check claims within 14 days*

Definition: This measure assesses the efficiency of claims processing. Adjudication is a segment of the entire process. The measure records the time it takes a claims analyst to make a determination to settle, deny or to defer a final disposition of the claim pending the receipt of additional information and/or investigative reports and reports the percent adjudicated within 14 days.

1998 Actual	1999 Actual	2000 Actual	2001		2002 Plan	2003 Plan
			Plan	Actual		
82.2	93.5	98.2	90	96.5	90	93

Performance Measure: *FMS will process electronic funds transfer (EFT) claims in one day*

Definition: FMS downloads EFT trace requests. The claims staff either mails the requests to the financial institutions or contacts the financial institutions by telephone. This contacting process takes place within one day. Indicator is the percent processed in one day.

1998 Actual	1999 Actual	2000 Actual	2001		2002 Plan	2003 Plan
			Plan	Actual		
--	--	--	100	100	100	100

Performance Measure: *FMS will make Treasury payments and associated information electronically*

Definition: This measure shows the percent portion of the total volume of payments which are made electronically by FMS. Electronic payments include transfers made through the automated clearinghouse and wire transfer payments made through the FEDWIRE system.

1998 Actual	1999 Actual	2000 Actual	2001		2002 Plan	2003 Plan
			Plan	Actual		
63	68	70	72	72	73	73

**F3: Provide Accurate and Timely Financial Information and
Support the Government-wide Implementation of Accounting Standards**

Financial Management Service (FMS)

Performance Measure: <i>FMS will issue accurate government-wide accounting reports</i>						
Definition: All government-wide financial data that FMS publishes relating to U.S. Treasury cash-based accounting reports (i.e., the Daily Treasury Statement, the Monthly Treasury Statement, and the Annual Combined Report) will be 100% accurate.						
1998 Actual	1999 Actual	2000 Actual	2001		2002 Plan	2003 Plan
			Plan	Actual		
--	--	--	100	100	100	100
Performance Measure: <i>FMS will issue government-wide accounting reports on time</i>						
Definition: All government-wide financial data that FMS publishes relating to U. S. Treasury cash-based accounting reports (i.e., the Daily Treasury Statement, the Monthly Treasury Statement, and the Annual Combined Report) will be on time 100% of the time.						
1998 Actual	1999 Actual	2000 Actual	2001		2002 Plan	2003 Plan
			Plan	Actual		
--	--	--	100	100	100	100
Performance Measure: <i>Percentage of reporting ALCs of Federal organizations with central audit differences less than six months old</i>						
Definition: This measure tracks the number of reporting Agency Location Codes (ALCs) central audit (deposit/payment) differences less than six months old.						
1998 Actual	1999 Actual	2000 Actual	2001		2002 Plan	2003 Plan
			Plan	Actual		
--	--	--	95	97	95	95
Performance Measure: <i>Percentage of Federal agency reports for the Financial Report of the U.S. Government processed by FMS within the established standard range</i>						
Definition: FMS collects and compiles the Federal agency financial statements for the Financial Report of the U.S. Government. The reports are processed with specified data validity checks. FMS measures its processing performance against the established standard range.						
1998 Actual	1999 Actual	2000 Actual	2001		2002 Plan	2003 Plan
			Plan	Actual		
81	92	98	99	Not available	100	100
Explanation: Performance data is not available until April 2002. FY 2000 data, which was not available at the time of publication of the FY 2000 Program Performance Report, is reported here.						

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Performance Measure: *FMS will receive an unqualified audit opinion on FMS's Schedule of Non-entity Assets, Non-entity Costs, Non-entity Custodial Revenues, and the Schedule of Non-entity Cash*

Definition: FMS receives an unqualified opinion when the Schedule of Non-entity Assets, Non-entity Costs, and Non-entity Custodial Revenues and the Schedule of Non-entity Cash present fairly, in all material respects, the activity of the Treasury Managed Accounts that make up the schedules. The management of the Treasury accounts that make up the schedule is critical to obtaining a clean/unqualified audit opinion on the Department-wide financial statements as well as the *Financial Report of the U.S. Government*. For this reason, FMS established a performance measure for the audit opinion on FMS's financial audit.

1998 Actual	1999 Actual	2000 Actual	2001		2002 Plan	2003 Plan
			Plan	Actual		
--	--	--	100	100	100	100

Performance Measure: *Percent decrease in unresolved prior year recommendations and audit findings that prevent a clean opinion on the audit of the Financial Report of the U.S. Government (until 1998, known as the CFS)*

Definition: FMS measures improvements in the accuracy and integrity of the Consolidated Financial Statement (CFS) process through the decrease or elimination of the number of material and non-material CFS "audit" findings, in order to achieve an unqualified "clean" audit opinion. FMS determined that this measure was redundant and no longer relevant. FY 2002, FMS replaced this measure with new measures that are more indicative of FMS performance in this activity.

1998 Actual	1999 Actual	2000 Actual	2001		2002 Plan	2003 Plan
			Plan	Actual		
--	70	0	discontinued			

Explanation: FY 2000 data was not available at the time of publication of the FY 2000 Program Performance Report and is reported here. The FY 2000 targeted reduction was 5%, based on 3 outstanding material weaknesses. Although GAO noted great progress towards resolution of the 3, they remained for the FY 2000 Financial Report. For FY 2001 this measure narrowly focused on one report was replaced with new broader measures better reflecting overall performance.

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F4: Collect Revenue Due to the Federal Government

Alcohol, Tobacco & Firearms (ATF)

Performance Measure: *Taxes/fees collected from alcohol, tobacco, firearms and explosives industries (\$ in billions)*

Definition: This includes revenue collected through alcohol, tobacco, firearms and ammunition excise taxes, firearms and explosive license/permit fees, transfer taxes and special occupation taxes.

1998 Actual	1999 Actual	2000 Actual	2001		2002 Plan	2003 Plan
			Plan	Actual		
12.4	12.1	14.1	13.6	14.0	13.6	14.4

Performance Measure: *Percent of entities filing electronically*

Definition: The percent of alcohol, firearms, and tobacco customers and taxpayers that use electronic filing instead of paper filing.

1998 Actual	1999 Actual	2000 Actual	2001		2002 Plan	2003 Plan
			Plan	Actual		
--	--	--	0	.11	1	1

Explanation for FY 2001 Plan: This was a pilot project in FY 2001. There were six participants in the pilot.

Performance Measure: *Taxes and fees collected per dollar of collection expense*

Definition: The amount of taxes and fees collected divided by the amount of resources expended to collect them.

1998 Actual	1999 Actual	2000 Actual	2001		2002 Plan	2003 Plan
			Plan	Actual		
248	193	207	200	271	200	211

U.S. Customs Service (Customs)

Performance Measure: *Revenue collection compliance rate*

Definition: The revenue collection measure is calculated using the net revenue underpayment estimated from the Compliance Measurement program and total revenue payment obtained operationally. It is the total revenue payment as a percentage of the sum of the total revenue payment and net revenue underpayment. The sum in the denominator of the calculation reflects the total amount that Customs could have collected if all imports were compliant in reporting applicable duties, taxes and fees.

1998 Actual	1999 Actual	2000 Actual	2001		2002 Plan	2003 Plan
			Plan	Actual		
98.7	99.0	98.7	99.0	99.1	99	tbd

Explanation of FY 2003 Plan: Customs's FY 2003 Annual Performance Plan was under review at the time of publication.

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Financial Management Service (FMS)

Performance Measure: *FMS will increase to 75% the amount of delinquent debt that is referred to Treasury for collection, as compared to the amount of delinquent debt that is eligible for referral*

Definition: The Debt Collection Improvement Act of 1996 requires (with some exceptions) that all Federal program agencies refer delinquent debt over 180 days old to Treasury for collection offset and cross-servicing.

1998 Actual	1999 Actual	2000 Actual	2001		2002 Plan	2003 Plan
			Plan	Actual		
--	71	83	75	89	75	85

Performance Measure: *FMS will increase debt collection through all available tools from the FY 1998 baseline of \$1.988 billion to \$2.4 billion*

Definition: The measure provides information on the total amounts collected through debt collection tools operated by FMS. The tools include: offset and levy under the Treasury Offset Program (TOP) of cross-servicing tools such as, private collection agencies, demand letters, and credit bureau reporting. In FY 2001, FMS also offsetted benefit payments under TOP.

1998 Actual	1999 Actual	2000 Actual	2001		2002 Plan	2003 Plan
			Plan	Actual		
1.988	2.631	2.629	2.300	2.692	2.600	2.800

Internal Revenue Service (IRS)

Performance Measure: *Percentage of AUR quality*

Definition: Quality of all Automated Underreporter (AUR) account actions as a result of taxpayer inquiries or internal requests (paper only - post review) expressed as a percent. The AUR system identifies reporting discrepancies on filed returns.

1998 Actual	1999 Actual	2000 Actual	2001		2002 Plan	2003 Plan
			Plan	Actual		
--	--	93	94	95	97	97

Performance Measure: *Number of returns examined (Service Center examinations)*

Definition: Number of closures produced in Service Center examination.

1998 Actual	1999 Actual	2000 Actual	2001		2002 Plan	2003 Plan
			Plan	Actual		
--	--	394,754	558,655	650,376	575,216	758,604

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Performance Measure: <i>Number of returns closed (Coordinated Industry)</i>						
Definition: All Coordinated Industry corporate returns closed. A Coordinated Industry case consists of one or more tax years of the primary taxpayer (usually a large corporation return) plus all related returns examined in conjunction with the primary taxpayer.						
1998 Actual	1999 Actual	2000 Actual	2001		2002 Plan	2003 Plan
			Plan	Actual		
--	--	3,096	3,831	3,710	3,453	3,477
Explanation of Shortfall: The increase in cases examined in FY 2001, as compared to FY 2000, is attributed to a large number of staff re-directed to case examination. In FY 2000, a large number of staff in Large/Mid Size Business were engaged in design team activities focused on organization and stand up. For FY 2002, Large/Mid-Size Business exam teams will receive new tax computation software for corporate returns that will expedite computation of proposed deficiencies, resulting in a reduction in employee burden, taxpayer burden and overall cycle time. In addition, efforts to redesign the post-filing examination processes will continue in FY 2002.						
Performance Measure: <i>Appeals cases closed</i>						
Definition: This measures Appeals production and output.						
1998 Actual	1999 Actual	2000 Actual	2001		2002 Plan	2003 Plan
			Plan	Actual		
--	61,507	54,986	73,013	54,748	67,560	97,193
Explanation of Shortfall: During FY 2001, the IRS Appeal division workload continued to shift from examination to predominantly collection-type work, including Collection Due Process. In response to this change in workload, Appeals diverted its resources. The impact contributed to an increase in cycle time and subsequently lower-than-planned productivity. For FY 2002, one of Appeals' operational priorities is to reduce the backlog of Collection cases, including Collection Due Process.						
Performance Measure: <i>Number of TAS cases closed</i>						
Definition: The total number of cases worked in the Taxpayer Advocate Service (TAS) and closed on the Taxpayer Advocate Management Information System.						
1998 Actual	1999 Actual	2000 Actual	2001		2002 Plan	2003 Plan
			Plan	Actual		
--	294,993	237,885	244,941	248,011	252,289	256,552

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Performance Measure: <i>ACS closures - Taxpayer Delinquent Accounts</i>						
Definition: Number of entity closures produced in the Automated Collection System (ACS) (minus systemic reductions)						
1998 Actual	1999 Actual	2000 Actual	2001		2002 Plan	2003 Plan
			Plan	Actual		
--	2,874,093	1,052,221	1,087,400	1,006,600	1,012,628	1,150,424
Explanation of Shortfall: The original FY 2001 target of 1,655,000 was determined to be flawed after identification of a systemic problem within the management information system that caused a double count of systemic closures, inflating the base used to develop the FY 2001 target. Systemic closures are not included in the actual count reported for FY 2001. Upon discovery, a more accurate target of 1,087,400 was determined. The target also was not met due to an increase in overall case processing time due to the 1998 Restructuring and Reform Act Legislation related requirements. In addition, the learning curve for adjustment processing and other new work items in the Automated Collection System inventory causes more time per case to be spent. In FY 2002, improved process training on selected inventories will enhance employee skills. In addition, the completion of the migration of Individual Master File and Business Master File to designated sites coupled with full implementation of Integrated Case Processing capabilities and enterprise call routing are expected to be factors in the productivity increases planned.						
Performance Measure: <i>Electronic Federal tax payments (in millions)</i>						
Definition: Total number of electronic payments processed through the Electronic Federal Tax Payment System (EFTPS).						
1998 Actual	1999 Actual	2000 Actual	2001		2002 Plan	2003 Plan
			Plan	Actual		
--	55.3	63.4	67.5	64.4	67.4	69.6
Explanation of Shortfall: The original forecast of 67.5 million was based on filing experience through February 2000. Later forecasts had the benefit of 11 more months of actual filing experience and showed that 64.7 million was a more realistic target. Another uncertainty in the original forecast included an estimate of the impact of IRS formally eliminating the magnetic tape filing option - a step that was not fully completed at the time the initial forecast was provided. In FY 2002, IRS plans to continue promotion of easy to use payment options with the expectation that taxpayer demand calls for increased use of electronic commerce options when transacting with the IRS.						
Performance Measure: <i>Employee Plans and Exempt Organization determination letters</i>						
Definition: Cases established on the Determination System (EDS) and closed on that system regardless of type of case or type of closing. (Prior to FY 2000, cases closed on EDS that successfully posted to the Application Control System were the data source.)						
1998 Actual	1999 Actual	2000 Actual	2001		2002 Plan	2003 Plan
			Plan	Actual		
--	114,598	109,461	121,000	109,326	190,800	215,300
Explanation of Shortfall: The planned number of determination case disposals was predicated on the projected volume of application receipts. The shortfall was primarily due to an unexpected shortfall in receipts for plan amendments under new pension laws. Those receipts are expected in the first quarter of FY 2002 and will increase both receipts and cases closed for FY 2002. Determination closures were slightly (less than 2%) below plan due to an increase in time applied per case associated with new agent hires. The establishment of dedicated determination groups in FY 2002 should result in improvements in determination consistency and productivity.						

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Performance Measure: <i>Toll-free tax law quality</i>						
Definition: Percent of customers receiving accurate responses to their Tax Law inquiries.						
1998 Actual	1999 Actual	2000 Actual	2001		2002 Plan	2003 Plan
			Plan	Actual		
93.8	74	73	74	75	78	82
Performance Measure: <i>Percentage of individual returns filed electronically</i>						
Definition: This measures the number of electronically filed individual returns divided by the total returns filed. Includes all returns where electronic filing is permitted. (Practitioner e-file, telefile, VITA [volunteer income tax assistance], online filing, federal/state returns, etc.)						
1998 Actual	1999 Actual	2000 Actual	2001		2002 Plan	2003 Plan
			Plan	Actual		
19.8	23.4	27.8	32.6	30.7	35.0	39.0
Explanation of Shortfall: Failure to meet the projection can be attributed to two factors: 1) the level of growth expected when developing projections (based on past experience) did not materialize and; 2) TeleFile accepted returns showed a decrease of 14.37% over last year due to several factors. Contributors include: problems experienced with the print vendor, not marketing to the total population of qualified taxpayers (taxpayers who used a practitioner were eliminated), tax packages printed with incorrect customer service numbers, and minor systemic problems with the TeleFile system. All of these problems are expected to be resolved for the FY 2002 filing season. Also, in FY 2002, IRS plans to continue advertising and marketing electronic filing and expand programs such as electronic signature, electronic payment options, and include more forms and schedules available to taxpayers, all in an effort to ensure that participation in electronic filing continues to grow.						
Performance Measure: <i>Field Collection - number of cases closed - Taxpayers Delinquent Investigations</i>						
Definition: This measure reflects actual taxpayer delinquent investigation removed from the active inventory.						
1998 Actual	1999 Actual	2000 Actual	2001		2002 Plan	2003 Plan
			Plan	Actual		
255,862	166,808	144,764	146,211	119,451	107,119	135,941
Explanation of Shortfall: Closures were impacted by the increased complexity of Small Business/Self Employed inventory, staffing decline in previous years, Collection Due Process procedures, resource shift to work Offer In Compromise cases, and additional process steps still in place from the Restructuring and Reform Act of 1998. Significant improvements should be realized in FY 2002 when the new Revenue Officers hired in FY 2001 (475) reach their full working level. In addition, specific initiatives for FY 2002 include reduction of Revenue Officer details to other functions, implementation of the Inventory Replacement initiative, continued training of FY 2001 hires and development of a hiring plan for the latter part of the fiscal year.						

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Performance Measure: Toll-free level of service

Definition: This measures the relative success rate of taxpayers who are calling for our toll-free services and intend to speak with a live assistor (percent of calls to toll-free telephone assistance lines answered by customer assistor personnel).

1998 Actual	1999 Actual	2000 Actual	2001		2002 Plan	2003 Plan
			Plan	Actual		
69.7	53.3	59.0	63.4	56.4	71.5	76.3

Explanation of Shortfall: The level of service for the full fiscal year was significantly affected by the large volume of calls during July, August and September due to the special advance refund, resulting in longer wait times and a lower than planned assistor level of service despite answering approximately the planned number of assistor calls. During the filing season period, which ended before the special refund calls began to come in, assistor level of service was at 64%, an increase of 5.13 percent from FY 2000 filing season level. The fiscal year variance from target was caused primarily by longer handle times for account calls, which in turn is partly due to the diversion of more simple calls to automated services. Actions to improve performance in this area in FY 2002 include: providing additional staff to answer more calls during core hours of operation and entering into a study to identify and address reasons for the increase in Average Handle Time.

Performance Measure: Service Center examination quality

Definition: This measures the accuracy rate of information provided to taxpayers through the Service Center Examination and Automated Substitute for Returns programs as a percentage of quality of actions taken while working service center examination cases.

1998 Actual	1999 Actual	2000 Actual	2001		2002 Plan	2003 Plan
			Plan	Actual		
--	91	70	72	71	74	76

Explanation of Shortfall: Timeliness in case processing is the driver in failure to meet the target in this area. Backlogged inventories of overage correspondence (83%) caused by the loss of more experienced examiners through attrition (learning curve of new examiners is a contributing factor in age of cases) are impacting the quality level by as much as 20 points out of 100. Improvements planned for FY 2002 include engaging front line employees and managers in determining business and system requirements, redesign of content and delivery of the Internal Revenue Manual and providing enhanced research tools.

Performance Measure: AUR closures

Definition: Total number of closures of Automated Underreporter (AUR) cases. The AUR system identifies reporting discrepancies on filed returns.

1998 Actual	1999 Actual	2000 Actual	2001		2002 Plan	2003 Plan
			Plan	Actual		
--	3,367,086	2,888,900	2,859,000	2,511,424	2,919,980	2,963,730

Explanation of Shortfall: An eight-week delay in starting the Tax Year 1999 inventory due to a systemic problem coupled with a reduction in screenout closures (29% versus the planned 40%) attributed to an inventory shift between the Small Business/Self-Employment and Wage & Investment units. These were direct contributors in the failure to meet the target. In FY 2002, initiatives to complete the plan include: completion of the workload migration plan, application of additional staff to work the inventory and testing plans to rotate the document matching selection criteria to expand coverage and improve voluntary information return reporting on individual income tax returns.

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Performance Measure: <i>Field Collection quality</i>						
Definition: This measures the average overall quality rating of Field Collection cases reviewed by the percentage score awarded to a reviewed Collection case by third-party reviewer using the IRS Collection Quality Measurement System quality standards.						
1998 Actual	1999 Actual	2000 Actual	2001		2002 Plan	2003 Plan
			Plan	Actual		
--	86.0	84.0	86.4	84.0	85.4	86.8
Explanation of Shortfall: The drop in the quality rate can be traced to a decrease in the documentation and compliance check standard. Small Business/Self-Employed has formed a team to review the Collection Quality Measurement System processes, including the standards and methodology used to compute the score while the Collection Re-engineering team is considering providing relief by easing the documentation standards. Plans to reach the FY 2002 target include improvement in the content and delivery of the Internal Revenue Manual, targeted training opportunities for employees and managers, procedural improvement and a plan to test the concept of imbedded quality.						
Performance Measure: <i>ACS level of service</i>						
Definition: The percentage of calls attempted (demand) compared to number of calls answered (calls which are abandoned after having been answered but while in queue for the next available assistor are not included in the count of calls answered) in Automated Collection System (ACS).						
1998 Actual	1999 Actual	2000 Actual	2001		2002 Plan	2003 Plan
			Plan	Actual		
--	81	79	80	77	80	80
Explanation of Shortfall: The target was not met in FY 2001 due to the following factors: incoming script choices confusing to the taxpayer, and restrictions to call routing capability that caused excessive taxpayer wait times. IRS plans to continue focus on improving our service with additional enhancement in FY 2002. Fine tuning the enterprise-wide call routing capability and rolling out an initial round of data directed routing capability to refine the type of calls answered in ACS. Coupled with our intent to increase access to more self-service applications will allow us to maximize our existing resources.						
Performance Measure: <i>ACS closures - TDI</i>						
Definition: Number of Taxpayer Delinquent Investigations (TDI) entity closures produced in the Automated Collection system (ACS).						
1998 Actual	1999 Actual	2000 Actual	2001		2002 Plan	2003 Plan
			Plan	Actual		
--	1,828,885	412,150	400,376	297,791	317,906	TBD
Explanation of Shortfall: The IRS original target of 752,000 was determined to be flawed after identification of a systemic problem with a management information system that caused a double count of systemic closures, inflating the base used to develop the FY 2001 target. The corrected target is 400,376. The target was not met due to insufficient staff to answer increased telephone call volumes. Also impacting closures in this area were delays in hiring, greater focus placed on Taxpayer Delinquent Account inventories and suspension of the 6020(b) program (which gives IRS the authority to prepare a return for the business taxpayer) which did not resume until July 2001. While call site consolidation planned for FY 2002 will provide some relief to staffing needs, TDIs will continue to remain a low priority inventory item and without an enforcement alternative, expectations are productivity will remain stable.						

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Performance Measure: <i>Field Collection - Number of cases closed - Taxpayers Delinquent Accounts</i>						
Definition: This measure reflects actual taxpayer delinquent account dispositions (removed from active inventory).						
1998 Actual	1999 Actual	2000 Actual	2001		2002 Plan	2003 Plan
			Plan	Actual		
1,319,491	951,984	771,455	846,800	757,392	804,085	1,088,967
Explanation of Shortfall: Closures were impacted by the increased complexity of Small Business/Self Employed unit inventory, staffing decline in previous years, Collection Due Process procedures, resource shift to work Offer In Compromise cases, and additional process steps still in place from the Restructuring and Reform Act of 1998. Significant improvements should be realized in FY 2002 when the new Revenue Officers hired in FY 2001 (475) reach their full working level. In addition, specific initiatives for FY 2002 include reduction of Revenue Officer details to other functions, implementation of the Inventory Replacement initiative, continued training of FY 2001 hires and development of a hiring plan for the latter part of the fiscal year.						
Performance Measure: <i>Number of Private Letter Rulings issued</i>						
Definition: This measures the rulings by IRS Office of the Chief Counsel letters about tax treatment of particular matter before a taxpayer's return is filed. It is the total number of Private Letter Rulings (PLRs) completed by the Office. PLRs are written statements that address specific, tax-related issues pertaining to the taxpayer and the IRS about tax treatment of particular matters before a taxpayer's return is filed. They reduce taxpayer burden, eliminate controversy, and enhance voluntary compliance, even before the taxpayer is involved. Private letter ruling is the largest single program in Chief Counsel.						
1998 Actual	1999 Actual	2000 Actual	2001		2002 Plan	2003 Plan
			Plan	Actual		
--	--	1,913	1,920	2,428	2,000	2,100
Performance Measure: <i>Number of Taxpayer Advocacy projects</i>						
Definition: This measures the total number of Operating Division Taxpayer Advocate projects which an operational issue is identified that adversely affects a group of taxpayers.						
1998 Actual	1999 Actual	2000 Actual	2001		2002 Plan	2003 Plan
			Plan	Actual		
--	--	88	88	92	88	88
Performance Measure: <i>IRS Digital Daily Hits (in billions)</i>						
Definition: Measures the number of visits to the IRS Internet Web Site (www.irs.gov).						
1998 Actual	1999 Actual	2000 Actual	2001		2002 Plan	2003 Plan
			Plan	Actual		
--	1.15	1.6	2.0	2.6	2.5	3.0
Performance Measure: <i>Toll-free accounts quality</i>						
Definition: This measures the percent of customers receiving accurate responses to their account inquiries in administrative accuracy (internal) and customer satisfaction (external).						
1998 Actual	1999 Actual	2000 Actual	2001		2002 Plan	2003 Plan
			Plan	Actual		
87.9	81.7	60.0	63.0	69.2	72.0	78.0

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Performance Measure: <i>Field Examination case quality score</i>						
Definition: This measures the score awarded to reviewed Field Examination cases by a third-party reviewer on meeting quality standards. The percent score awarded to a reviewed Field Examination case by a third-party reviewer using the IRS Examination Quality Measurement System (EQMS) quality standards.						
1998 Actual	1999 Actual	2000 Actual	2001		2002 Plan	2003 Plan
			Plan	Actual		
--	65	58	60	70	72	72
Performance Measure: <i>TAS casework quality index</i>						
Definition: This measures the average percent quality rating of Taxpayer Advocate Service (TAS) cases reviewed. A tool to measure effectiveness in meeting customer expectations based on a random sample of cases reviewed and scored against customer service standards of timeliness, accuracy, and communication.						
1998 Actual	1999 Actual	2000 Actual	2001		2002 Plan	2003 Plan
			Plan	Actual		
--	79.0	65.0	68.3	72.0	80.0	90.0
Performance Measure: <i>Individual return examinations greater than \$100,000</i>						
Definition: Number of Individual (Form 1040) returns closed through a time period from the beginning of the fiscal year with a total positive income or total gross receipts greater than \$100,000.						
1998 Actual	1999 Actual	2000 Actual	2001		2002 Plan	2003 Plan
			Plan	Actual		
103,400	94,638	63,217	113,699	50,827	54,468	78,048
Explanation of Shortfall: The original plan assumed increases in resources; percentages of direct time applied, and reduction in the time per return. These improvements were not realized resulting in fewer returns closed. Immediate emphasis has been placed on building and maintaining optimal inventory levels, case management, and issuance of revised program guidance. Improvements in FY 2002 are expected from the hiring of additional resources (565 Revenue Agents and 108 Tax Compliance Officers hired in FY 2001) and decrease of compliance support of the filing season.						
Performance Measure: <i>Individual return examinations less than \$100,000</i>						
Definition: Number of individual (Form 1040) returns closed from the beginning of the fiscal year with a total positive income or total gross receipts less than \$100,000.						
1998 Actual	1999 Actual	2000 Actual	2001		2002 Plan	2003 Plan
			Plan	Actual		
375,100	289,698	187,891	152,964	145,144	122,313	157,844
Explanation of Shortfall: Reasons for the decline in Field Examination closures include reduction in staff from original budget, mix of staff applied, hours per return higher than planned, direct examination time lower than planned, and insufficient work-in-process. Immediate emphasis has been placed on building and maintaining optimal inventory levels, case management, and issuing program guidance. An Examination re-engineering effort has been initiated to identify improvement opportunities. Improvements in FY 2002 are expected from the hiring of additional resources (565 Revenue Agents and 108 Tax Compliance Officers hired in FY 2001) and decrease of compliance support of the tax filing season.						

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Performance Measure: Total individual returns						
Definition: This measures the total of individual return examinations both less than \$100,000 and greater than \$100,000. Combined count of the number of individual (Form 1040) returns closed through a time period from the beginning of the fiscal year with a total positive income or total gross receipts less than or greater than \$100,000.						
1998 Actual	1999 Actual	2000 Actual	2001		2002 Plan	2003 Plan
			Plan	Actual		
478,500	384,336	251,108	266,663	195,971	176,781	235,892
Explanation of Shortfall: Reasons for the decline in Field Examination closures include reduction in FTE's from original budget, mix of FTE's applied, hours per return higher than planned, direct examination time lower than planned, and insufficient work-in-process. Operational Reviews of all Areas were conducted to assess causes and address the increase in hours per case and decrease in examination time. Immediate emphasis has been placed on building and maintaining optimal inventory levels, case management, and issuing program guidance. An Examination re-engineering effort has been initiated to identify improvement opportunities. Improvements in FY 2002 are expected from the hiring of additional resources (565 Revenue Agents and 108 Tax Compliance Officers hired in FY 2001) and decrease of compliance support of the filing season.						
Performance Measure: Number of returns examined (Business and General Industry)						
Definition: All industry returns closed (includes all classes of returns).						
1998 Actual	1999 Actual	2000 Actual	2001		2002 Plan	2003 Plan
			Plan	Actual		
--	137,893	103,112	142,441	84,748	81,369	109,556
Explanation of Shortfall: The FY 2001 planning assumptions were made with limited historical information. Also, there was a larger than expected expenditure of time in areas that do not ordinarily result in a closed case. Accordingly, the number of returns that were planned did not materialize. Improvements in FY 2002 are expected from the hiring of additional resources (565 Revenue Agents and 108 Tax Compliance Officers hired in FY 2001) and decrease of compliance support of the filing season.						
Performance Measure: Number of cases examined (Coordinated Industry)						
Definition: The number of regular Coordinated Industry cases closed during the period ("R1" cases: not including claim cases, cases returned from Appeals, or non-examined closures). A Coordinated Industry case consists of one or more tax years of the primary taxpayer (usually a large corporate return) plus all related returns examined in conjunction with the primary taxpayer.						
1998 Actual	1999 Actual	2000 Actual	2001		2002 Plan	2003 Plan
			Plan	Actual		
--	416	369	475	417	566	570
Explanation of Shortfall: The increase in cases examined in FY 2001, as compared to FY 2000, is attributed to a large number of staff redirected to case examination. In FY 2000, a large number of staff within the Large/Mid-Size Business were engaged in design teams activities focused on organization and stand up. For FY 2002, Large/Mid-Size Business exam teams will receive new tax computation software for corporate returns that will expedite computation of proposed deficiencies, resulting in a reduction in employee burden, taxpayer burden and overall cycle time. In addition, efforts to redesign the post-filing examination processes will continue in FY 2002.						

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Performance Measure: <i>Employee Plans/Exempt Organizations examination cases closed</i>						
Definition: The number of Employee Plan and Exempt Organization return examinations of all types closed.						
1998 Actual	1999 Actual	2000 Actual	2001		2002 Plan	2003 Plan
			Plan	Actual		
--	22,525	19,080	19,300	15,988	11,900	12,300
Explanation of Shortfall: A surge in determination receipts was expected and inventories of open examination cases were kept low in order to ensure a smooth transition of agents from working examinations to determinations. When the anticipated volume of determination receipts did not materialize, additional returns were placed in process. Many of the additional returns were larger plans that require longer processing time and resulted in fewer returns closed than expected. In FY 2002, the Exempt Organization units will continue to address these problems, through sharing of best practices to improve timeliness and through new operating priorities to stabilize and refocus Examination resources and improve EO's presence in the tax-exempt community.						
Performance Measure: <i>Employee Plans/Exempt Organizations examination quality</i>						
Definition: The percentage level of quality in IRS Exempt Organization Examination services using the Tax Exempt Quality Measurement System (TEQMS).						
1998 Actual	1999 Actual	2000 Actual	2001		2002 Plan	2003 Plan
			Plan	Actual		
--	--	83	83	73	81	83
Explanation of Shortfall: The overall decline in quality was primarily attributed to the Examination Planning and Workpapers standards which were found to be inconsistent with current work processes and require modification. These quality standards were addressed through targeted training sessions in FY 2001 and emphasize will continue during regular training for all agents.						

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F5: Cost-Effectively Finance the Government's Operations

Bureau of the Public Debt (BPD)

Performance Measure: *Issue 95% of over-the-counter savings bonds in three weeks*

Definition: Customers can purchase savings bonds directly from more than 40,000 financial institution locations throughout the country. The goal is to mail 95% of these over-the-counter bonds to customers within three weeks of purchase.

1998 Actual	1999 Actual	2000 Actual	2001		2002 Plan	2003 Plan
			Plan	Actual		
99.99	99.75	99.07	95.00	99.97	99.95	99.95

Performance Measure: *Complete 90% of customer service transactions in four weeks*

Definition: Savings bonds have been sold for more than 50 years and the records are maintained in a variety of forms by the BPD. Individuals who need to have savings bonds reissued to reflect new ownership or to replace bonds that have been lost or stolen submit their requests to the Bureau. In FYs 2002 and 2003, the target will be within three weeks.

1998 Actual	1999 Actual	2000 Actual	2001		2002 Plan	2003 Plan
			Plan	Actual		
92.61	97.28	97.63	90.00	95.80	90.00	90.00

Performance Measure: *Conduct 100% of marketable securities auctions without error*

Definition: The integrity of the auction process is paramount to the successful conduct of our financing operations. The Treasury securities market expects that the auctions will be conducted flawlessly and that the results will always be accurate. Our objective is to never make an error that would require Treasury to amend its auction results.

1998 Actual	1999 Actual	2000 Actual	2001		2002 Plan	2003 Plan
			Plan	Actual		
100	100	100	100	100	100	100

Performance Measure: *Announce auction results within one hour 95% of the time*

Definition: To maintain an efficient market for Treasury securities and to minimize uncertainty in these markets, it is crucial that securities auctions be completed and the results announced as quickly as possible. The goal is to announce auction results within one hour of close of the auction 95% of the time. The measure is being replaced in FY 2002 by "Announce auction results within 25 minutes 95% of the time."

1998 Actual	1999 Actual	2000 Actual	2001		2002 Plan	2003 Plan
			Plan	Actual		
98	100	100	95	100	discontinued	

Performance Measure: *Complete 90% of TREASURYDIRECT customer service transactions in three weeks*

Definition: BPD is responsible for providing quality customer service to approximately 800,000 TREASURYDIRECT investors who have purchased Treasury bills, notes and bonds. Investor transaction requests vary from straightforward account changes to complex changes in ownership.

1998 Actual	1999 Actual	2000 Actual	2001		2002 Plan	2003 Plan
			Plan	Actual		
98.90	98.32	96.97	90.00	99.70	90.00	90.00

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Performance Measure: <i>Make 100% of TREASURYDIRECT interest and redemption payments timely</i>						
Definition: Customers invest in Treasury securities with the expectation that the U.S. Government will make payments when due. Timely payments bolster investor confidence and ensure the Treasury securities remain an attractive investment option. The goal is to make 100 percent of TREASURYDIRECT interest and redemption payments timely.						
1998 Actual	1999 Actual	2000 Actual	2001		2002 Plan	2003 Plan
			Plan	Actual		
100	100	100	100	100	100	100
Performance Measure: <i>Make 99.9% of TREASURYDIRECT interest and redemption payments accurately</i>						
Definition: As custodians of TREASURYDIRECT customers' investments, it is the BPD's job to correctly calculate and deliver payments to them. Virtually all payments are calculated automatically by automated systems. The goal is to make 99.9 percent of interest and redemption payments accurately.						
1998 Actual	1999 Actual	2000 Actual	2001		2002 Plan	2003 Plan
			Plan	Actual		
100	100	100	99.9	100	99.9	99.9
Performance Measure: <i>Make 100% of Commercial Book Entry interest and redemption payments timely and accurately</i>						
Definition: More than \$3 trillion of Treasury's outstanding debt is maintained in accounts on the Commercial Book Entry system. Over 300,000 interest and redemption payments totaling \$2.3 trillion a year are made through the system. Billions of dollars in transactions affecting payments can occur up to close of business the day prior to payment date. Customers rely on the commercial book entry system to credit their accounts at the opening of business on the payment day accurately.						
1998 Actual	1999 Actual	2000 Actual	2001		2002 Plan	2003 Plan
			Plan	Actual		
100	100	100	100	100	100	100
Performance Measure: <i>Process 100% of Government Securities Investment Program transactions timely</i>						
Definition: Federal Program Agencies contact the BPD daily to request investments and redemption for more than 200 trust and deposit funds that participate in the Federal Government Securities Investment Program.						
1998 Actual	1999 Actual	2000 Actual	2001		2002 Plan	2003 Plan
			Plan	Actual		
--	--	100	100	100	100	100
Performance Measure: <i>Process 99.9% of Government Securities Investment Program transactions accurately</i>						
Definition: Federal Program Agencies contact the BPD daily to request investments and redemption for more than 200 trust and deposit funds that participate in the Federal Government Securities Investment Program.						
1998 Actual	1999 Actual	2000 Actual	2001		2002 Plan	2003 Plan
			Plan	Actual		
--	99.90	99.98	99.90	99.99	99.90	99.90

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Departmental Offices (DO)

Performance Measure: *Percentage of borrowing policies and borrowing requirements announced to financial market participants in a timely manner*

Definition: This measure is important as the best price for Treasury securities is obtained when Treasury provides information to financial market participants with sufficient lead-time to avoid surprises (risk and uncertainty). BPD then conducts the auction at the announced time.

1998 Actual	1999 Actual	2000 Actual	2001		2002 Plan	2003 Plan
			Plan	Actual		
90	100	100	100	100	100	100

**F6: Improve the Efficiency of Production Operations and
Maintain the Integrity of U.S. Coin and Currency**

Bureau of Engraving & Printing (BEP)

Performance Measure: *Manufacturing costs for currency*

Definition: This measures the dollar cost per thousand notes produced, an indicator of currency manufacturing efficiency and effectiveness of program management. This standard is developed annually based on the past year's performance, contracted price factors, and anticipated productivity improvements. Actual performance comparison against the standard depends on BEP's ability to meet annual spoilage, efficiency, and capacity utilization goals established for this product line.

1998 Actual	1999 Actual	2000 Actual	2001		2002 Plan	2003 Plan
			Plan	Actual		
24.34	25.87	22.65	24.20	23.88	25.00	27.50

Explanation of FY 2003 Plan: Subject to change pending final orders from the customer agency.

Performance Measure: *Manufacturing costs for stamps*

Definition: This measures the dollar cost per thousand stamps produced, an indicator of postage stamp manufacturing efficiency and effectiveness of program management. This standard is developed annually based on the past year's performance, contracted price factors, and anticipated productivity improvements. Actual performance compared against standard depends on BEP's ability to meet annual spoilage, efficiency and capacity utilization goals established for this product line. BEP reports on the 100 stamp flag coil product line because it is the major stamp product produced by the Bureau. Measure discontinued in FY 2003 due to declining stamp production.

1998 Actual	1999 Actual	2000 Actual	2001		2002 Plan	2003 Plan
			Plan	Actual		
1.39	1.31	1.46	1.45	1.31	1.56	discontinued

Performance Measure: *Percent of Federal Reserve orders met as requested*

Definition: This measures BEP's ability to meet customer order delivery schedules. The Federal Reserve considers this measure satisfied when complete shipments of finished currency are received in the Federal Reserve vault where it is held prior to final distribution to Federal Reserve district banks.

1998 Actual	1999 Actual	2000 Actual	2001		2002 Plan	2003 Plan
			Plan	Actual		
100	100	100	100	100	100	100

Performance Measure: *Percent of U.S. Postal Service orders met as requested*

Definition: This measures BEP's ability to meet customer order delivery schedules. The customer considers this measure satisfied if all postage product lines (i.e. coils, books, sheets) are shipped by BEP in accordance with shipping/ordering instructions received by BEP directly from Post Masters.

1998 Actual	1999 Actual	2000 Actual	2001		2002 Plan	2003 Plan
			Plan	Actual		
100	100	100	100	100	100	100

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Performance Measure: <i>Number of notes returned by Federal Reserve due to manufacturing defects per million notes produced</i>						
Definition: This measures the Bureau's ability to provide quality products to the customer. The measure refers to any manufacturing flaw that the Federal Reserve determines renders the note unsuitable for circulation.						
1998 Actual	1999 Actual	2000 Actual	2001		2002 Plan	2003 Plan
			Plan	Actual		
.0039	.0219	1,956	.025	.009	.025	.025
Performance Measure: <i>Number of stamps returned by U.S. Postal Service due to manufacturing defects per million stamps delivered</i>						
Definition: This measures the Bureau's ability to provide quality products to the customer. The measure refers to any manufacturing flaw that the Postal Service determines to be unacceptable. Measure discontinued in FY 2003 due to declining stamp production.						
1998 Actual	1999 Actual	2000 Actual	2001		2002 Plan	2003 Plan
			Plan	Actual		
.05180	.03365	.71530	.10000	.00050	.1	discontinued
Performance Measure: <i>Number of notes returned by Federal Reserve because of counterfeit deterrent defects per million notes delivered</i>						
Definition: This measures BEP's ability to provide effective counterfeit deterrent products. This measure focuses on manufacturing flaws related to counterfeit deterrent features of new design currency. In FY 2003, the measure will be rolled up into the "Notes returned by the Federal Reserve due to manufacturing defects" measure.						
1998 Actual	1999 Actual	2000 Actual	2001		2002 Plan	2003 Plan
			Plan	Actual		
.0049	.0453	4,619	.05	.029	.05	discontinued
Performance Measure: <i>Currency shipment discrepancies per million notes</i>						
Definition: This measures BEP's ability to provide effective product security and accountability. This measure refers to product overages or underages of as little as a single currency note in shipments of finished notes to the Federal Reserve Banks.						
1998 Actual	1999 Actual	2000 Actual	2001		2002 Plan	2003 Plan
			Plan	Actual		
.0192	.0092	.0012	.0100	0	.01	.01
Performance Measure: <i>Change in productivity from prior year</i>						
Definition: This measures manufacturing efficiency by using Bureau of Labor Statistics (BLS) methodology calculating the increase or decrease in productivity from one year to the next.						
1998 Actual	1999 Actual	2000 Actual	2001		2002 Plan	2003 Plan
			Plan	Actual		
1.5	15.9	-15.6	-13.0	-16.6	-10.0	0
Explanation of Shortfall: The decrease in productivity was primarily due to an unplanned reduction in the currency order by the Federal Reserve Bank during the fiscal year. During FY 2001, BEP's staffing levels (apprenticeship and training programs) continued to focus on projected, long-term demand and demand trends, not fluctuations in year-to-year orders. In 2002, continued investment in automated currency inspection equipment and a stable currency order from the customer should enable the Bureau to meet its productivity target.						

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Performance Measure: *Postage stamp shipment discrepancies per million stamps*

Definition: This measures BEP's ability to provide effective product security and accountability. Because stamp products are packaged and sold to the Postal Service in varying subject sizes (e.g. 100 stamps per coil, 20 stamps per sheetlet, etc.) a discrepancy of one stamp coil could translate to a reportable discrepancy of 100 stamps (a 100 stamp coil equals 100 individual stamps). Measure discontinued in FY 2003 due to declining stamp production.

1998 Actual	1999 Actual	2000 Actual	2001		2002 Plan	2003 Plan
			Plan	Actual		
12.80	14.00	8.00	20.00	5.81	20.00	discontinued

Performance Measure: *Annual Financial Statement audit opinion*

Definition: This measure represents an assessment by an independent, certified public accounting firm of the integrity of the Bureau's revolving fund and the reliability of financial data used for managerial decision-making (target: unqualified opinion).

1998 Actual	1999 Actual	2000 Actual	2001		2002 Plan	2003 Plan
			Plan	Actual		
met	met	met	meet	met	meet	meet

U.S. Mint (Mint)

Performance Measure: *Frequency of time meeting a minimum, seasonal-adjusted inventory level*

Definition: This measure is used to evaluate the Mint's ability to meet the minimum inventory levels required by the Federal Reserve Bank (FRB), including inventory levels sufficient to respond rapidly to seasonal changes in levels of economic activity. Data to measure performance is obtained from the Mint and FRB coin inventory reports.

1998 Actual	1999 Actual	2000 Actual	2001		2002 Plan	2003 Plan
			Plan	Actual		
--	--	100	100	100	100	100

Performance Measure: *Numismatic profit margin for non-bullion*

Definition: This measure compares the Numismatic profit margin - defined here as the excess of sales less all expenses other than General and Administrative (G&A) - for non-bullion as a percentage of non-bullion sales. The Mint uses this measure to evaluate how well this program covers G&A expenses. To define the plan, a determination was made both on sales and the percentage of "non-G&A" costs, based on historical experience.

1998 Actual	1999 Actual	2000 Actual	2001		2002 Plan	2003 Plan
			Plan	Actual		
--	22	32	15	24	15	15

Performance Measure: *Dollar losses of Reserve Value*

Definition: Dollar losses of Reserve Value compares the market value of annual losses with the market value of the protected monetary assets held by the Mint. The Mint's goal is to provide a level of security commensurate with changing threats to protect Mint human and physical resources and the assets of the U.S.

1998 Actual	1999 Actual	2000 Actual	2001		2002 Plan	2003 Plan
			Plan	Actual		
0	0	0	0	0	0	0

**Appendix A: Full Report of Treasury's FY 2001 Measures by Strategic Goal
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Performance Measure: *Percentage of recurring coin products shipped within standard*

Definition: This measure is used to evaluate the timeliness in filling customer orders. The published turnaround time standard is three weeks for recurring coin products. The Mint continues to focus on customer service by accelerating order fulfillment. The Mint does a weekly order fulfillment analysis of coin orders shipped to customers within 2, 3, 4, and 5 weeks. This analysis allows the Mint to determine how often coin orders are shipped within the published turnaround time standards.

1998 Actual	1999 Actual	2000 Actual	2001		2002 Plan	2003 Plan
			Plan	Actual		
97	--	90	98	85	98	98

Explanation of Shortfall: The main reason that this measure was not met was the 2000 Silver Proof delay. Legislation was necessary in order to include the Golden Dollar in the year 2000 silver proof set. This requirement resulted in delays early in FY 2001, and caused silver proof set fulfillment within standard to be only 52%. Orders received in the old system and shipped via the Customer Relationship Management System are not included in the results due to the difficulty in accurately measuring the results for that time period (approximately, the month of August 2001). The Electronic Business Solution Project (eSP) system will improve performance to this target. Order fulfillment time will be reduced via the centralized pick and pack operation. Also, on-line subscription programs will provide the Mint with more information and will lead to better inventory planning and management.

Performance Measure: *Percentage of commemorative coins shipped within standard*

Definition: This measure is used to evaluate the timeliness in filling customer orders. The published turnaround time standard is four weeks for commemorative programs. The Mint continues to focus on customer service by accelerating order fulfillment. The Mint does a weekly order fulfillment analysis of coin orders shipped to customers within 2, 3, 4, and 5 weeks. This analysis allows the Mint to determine how often coin orders are shipped within the published turnaround time standards.

1998 Actual	1999 Actual	2000 Actual	2001		2002 Plan	2003 Plan
			Plan	Actual		
82	--	87	98	89	98	98

Explanation of Shortfall: The main reason that this measure was not met was the Buffalo Commemorative coin program quick sellout. The backorder situation that developed from the Buffalo Coin sellout made it impossible to meet this target. The Capitol Visitor Center program experienced start-up production problems resulting in a delay in shipment. Orders received in the old system and shipped via the Customer Relationship Management System are not included in the results due to the difficulty in accurately measuring the results for that time period (approximately, the month of August 2001). The eSP system will address these issues. Order fulfillment time will be reduced via the centralized pick and pack operation. Also, on-line subscription programs will provide the Mint with more information and will lead to better inventory planning and management.

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Performance Measure: *Numismatic profit margin for bullion*

Definition: This measure compares the Numismatic profit margin - defined here as the excess of sales less all expenses other than General and Administrative (G&A) - for bullion as a percentage of bullion sales. The Mint uses this measure to evaluate how well this program covers G&A expenses. To define the plan, a determination was made both on sales and the percentage of "non-G&A" costs, based on historical experience.

1998 Actual	1999 Actual	2000 Actual	2001		2002 Plan	2003 Plan
			Plan	Actual		
--	1.7	1.9	2.0	-0.2	2.0	2.0

Explanation of Shortfall: The Mint did not meet this target for a number of reasons. Bullion revenues decreased from FY 2000 by 19%. The Mint was not able to react rapidly enough to achieve an equal reduction in costs, with costs for the program declining only 17%. The inability to rapidly react to the downturn in market demand provided less margin (or total revenues less cost of metal) to cover operating and other costs. These other costs were amplified by one-time write-offs to revalue inventory at lower cost standards and to charge the program for costs to refine and fabricate coins (precious metals) with prior year dates for which there is no market demand. These charges for the inventory revaluation and coin refining negatively impacted the program by approximately \$2.9 million, or 1.9% of revenue.

Performance Measure: *Conversion cost to produce 1000 coin equivalents*

Definition: This measure is used to indicate the cost-efficiency of the Mint's circulating coinage production. The coin equivalent methodology assigns a weighting for each denomination based on the resources it takes to make the coin from blank or coin strip. This measure is calculated by multiplying the shipment of coins for each denomination by the equivalency factor resulting with equalized coin production. Total costs to produce coins are then divided by the equalized production to derive the weighted average cost.

1998 Actual	1999 Actual	2000 Actual	2001		2002 Plan	2003 Plan
			Plan	Actual		
--	--	--	9.22	8.33	8.97	9.30

**Appendix A: Full Report of Treasury's FY 2001 Measures by Strategic Goal
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LE1: Reduce Violent Crime and the Threat of Terrorism

Alcohol, Tobacco & Firearms (ATF)

Performance Measure: <i>Crimes related costs avoided (\$ in billions)</i>						
Definition: The estimated costs saved by incarcerating armed career criminals and firearms traffickers.						
1998 Actual	1999 Actual	2000 Actual	2001		2002 Plan	2003 Plan
			Plan	Actual		
.99	1.05	1.56	2.12	2.54	3.62	4.58
Performance Measure: <i>Number of future crimes avoided</i>						
Definition: The projected number of firearms crimes avoided by incarcerating armed career criminals and firearms traffickers. Crimes avoided are projected over the length of the defendant's sentences.						
1998 Actual	1999 Actual	2000 Actual	2001		2002 Plan	2003 Plan
			Plan	Actual		
503,955	542,560	743,706	960,000	1,223,000	1,574,000	1,992,000
Performance Measure: <i>Number of firearms trace requests</i>						
Definition: The number of firearms trace requests submitted to ATF during the fiscal year.						
1998 Actual	1999 Actual	2000 Actual	2001		2002 Plan	2003 Plan
			Plan	Actual		
188,299	209,126	209,369	215,000	232,272	230,000	240,000
Performance Measure: <i>Number of persons trained in IVRS</i>						
Definition: This measure reflects the number of non-ATF personnel trained in ATF's Integrated Violence Reduction Strategy (IVRS), including training in areas of firearms, arson and explosives.						
1998 Actual	1999 Actual	2000 Actual	2001		2002 Plan	2003 Plan
			Plan	Actual		
--	--	--	6,000	6,839	6,000	6,000
Performance Measure: <i>NRT customer satisfaction rating</i>						
Definition: This measure reflects customer satisfaction with the Nation Response Team (NRT) deployments to arson and explosive incidents based on written survey results.						
1998 Actual	1999 Actual	2000 Actual	2001		2002 Plan	2003 Plan
			Plan	Actual		
--	--	--	90	97	90	90

Appendix A: Full Report of Treasury's FY 2001 Measures by Strategic Goal
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Performance Measure: <i>Average trace response time (in calendar days)</i>						
Definition: The average number of calendar days it takes ATF to complete a firearm trace request from the time the search is entered into the tracing system to the final disposition.						
1998 Actual	1999 Actual	2000 Actual	2001		2002 Plan	2003 Plan
			Plan	Actual		
18.8	11.4	10.2	10	12.8	12.8	12.8
Explanation of Shortfall: The increase in the average trace time is due to a 10% increase in the number of traces submitted to the National Tracing Center, a 2% increase in the number of traces requiring Federal Firearm Licenses Out-of-Business record checks, and modifications to our procedures to improve data quality. Steps in FY 2002 to improve performance include streamlining the data entry process, reorganizing personnel, redesigning the current trace process in conjunction with a contracted efficiency expert, and developing key technologies anticipated to further reduce trace time.						

U.S. Customs Service (Customs)

Performance Measure: <i>Number of seizures for outbound licensing violations</i>						
Definition: The number of seizures of Outbound Licensing Violations includes the number of outbound violations of the following sets of regulations: Interdiction of Traffic and Arms Regulations; Export Administration Regulations and Office of Foreign Assets Control for economic sanctions against countries identified as hostile to U.S. interests. The number is the number of incidents, not articles.						
1998 Actual	1999 Actual	2000 Actual	2001		2002 Plan	2003 Plan
			Plan	Actual		
1,798	1,067	736	695	827	730	tbd
Explanation of FY 2003 Plan: Customs's FY 2003 Annual Performance Plan was under review at the time of publication.						

LE2: Combat Money Laundering and Other Financial Crimes

U.S. Customs Service (Customs)

Performance Measure: *Total monetary instrument seizures (\$ in millions)*

Definition: The value of all forms of monetary instruments (e.g., currency, bank accounts, traveler's checks, negotiable bonds, etc.) seized within the territorial jurisdiction of the United States (or in foreign pre-clearance locations) by or with the participation of Customs officers, as reported in the Customs Law Enforcement Activity Report of the Seized Asset and Case Tracking System. This measure reflects investigative and inspection efforts in support of the Criminal Finance strategic goal.

1998 Actual	1999 Actual	2000 Actual	2001		2002 Plan	2003 Plan
			Plan	Actual		
426.6	329.7	204.1	240.0	162.0	240.0	tbd

Explanation of Shortfall: The primary reason for the shortfall is the shift in outbound cash smuggling methods used by criminal organizations, due in large part to Customs' enforcement efforts.

Explanation of FY 2003 Plan: Customs's FY 2003 Annual Performance Plan was under review at the time of publication.

Performance Measure: *Value of property seized (\$ in millions)*

Definition: The monetary value of tangible property (e.g., real estate, vehicles, jewelry) seized within the territorial jurisdiction of the U.S. (or in foreign pre-clearance locations) by or with the participation of Customs officers, in association with financial crime investigations, as recorded in the Customs Case Management System.

1998 Actual	1999 Actual	2000 Actual	2001		2002 Plan	2003 Plan
			Plan	Actual		
22.6	30.4	42.1	37.5	19.3	37.5	tbd

Explanation of Shortfall: A number of factors likely contributed to the shortfall. Recent and ongoing changes in Federal seizure laws, and related judicial rulings, created uncertainty over the degree to which the burden of proof would be placed on the Federal Government to sustain seizures made during the year. In addition, changes to certain State and local asset sharing laws have removed incentives in certain states for local law enforcement to enlist the aid of Customs during the seizure of assets over which Customs would have had jurisdiction. This measure is also affected by the downturn in property values experienced in FY 2001.

Explanation of FY 2003 Plan: Customs's FY 2003 Annual Performance Plan was under review at the time of publication.

Financial Crimes Enforcement Network (FinCEN)

Performance Measure: *Average time to process a civil penalty case measured in years*

Definition: This measure monitors progress in reducing the average processing time for civil penalty matters from a 1997 baseline of 4.23 years.

1998 Actual	1999 Actual	2000 Actual	2001		2002 Plan	2003 Plan
			Plan	Actual		
--	2.0	1.8	1.8	1.8	1.8	1.7

**Appendix A: Full Report of Treasury's FY 2001 Measures by Strategic Goal
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Performance Measure: *Percentage of law enforcement customers satisfied with FinCEN's investigative analytical reports*

Definition: The purpose of this measure is to ascertain whether our Federal law enforcement customers are satisfied with FinCEN's analytical reports.

1998 Actual	1999 Actual	2000 Actual	2001		2002 Plan	2003 Plan
			Plan	Actual		
--	--	--	baseline	--	baseline	tbd

Explanation of Shortfall: Baseline was not established in FY 2001 because the survey was modified as a result of the pretest. Development of a baseline with the revised survey is planned for FY 2002.

Performance Measure: *Percentage of MSBs aware of the new reporting requirements*

Definition: The Money Services Businesses (MSB) Regulatory Program supports the efforts to identify and educate institutions subject to the new MSB regulatory requirements to register and file suspicious activity reports. This measure gauges the overall level of awareness and understanding of the new regulatory requirements by members of this industry as a result of a public outreach and education campaign.

1998 Actual	1999 Actual	2000 Actual	2001		2002 Plan	2003 Plan
			Plan	Actual		
--	--	--	baseline	--	baseline	tbd

Explanation of Shortfall: Baseline was not established in FY 2001. Survey was not designed to definitively capture awareness/understanding of MSB reporting requirements and the measure is being rethought.

Performance Measure: *Percentage of customers (financial institutions) satisfied with FinCEN's analytical products that identify trends and patterns of suspect financial activities*

Definition: FinCEN provides a variety of different products to regulators, financial institutions, and law enforcement, which examine the macro-level issues regarding money laundering and other financial crimes. Examples of these products include analytical assessments of geographic regions or specific industries, identification of money laundering methodologies, and analysis of suspicious activity reports. The purpose of this measure is to ascertain the value of these specialized products as reported by our customers.

1998 Actual	1999 Actual	2000 Actual	2001		2002 Plan	2003 Plan
			Plan	Actual		
--	--	--	baseline	--	baseline	tbd

Explanation of Shortfall: Baseline was not established in FY 2001. Baseline now expected to be set in FY 2003.

U.S. Secret Service (USSS)

Performance Measure: *Percentage of cases accepted for Federal prosecution*

Definition: This measure reports the percentage of defendants prosecuted in Federal court relative to the total number of prosecutions at all judicial levels. The goal is to increase the percentage of defendants prosecuted at the Federal level by presenting cases consistent with national crime suppression strategies.

1998 Actual	1999 Actual	2000 Actual	2001		2002 Plan	2003 Plan
			Plan	Actual		
50	48	50	50	54	50	50

Appendix A: Full Report of Treasury's FY 2001 Measures by Strategic Goal
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Performance Measure: <i>Financial crime loss avoided (\$ in billions)</i>						
Definition: This measures reports an estimate of the direct dollar losses prevented due to Secret Service intervention or interruption of a criminal venture. This estimate is based on the likely amount of financial crime, in the short term that would have occurred had the offender not been identified or the criminal enterprise disrupted.						
1998 Actual	1999 Actual	2000 Actual	2001		2002 Plan	2003 Plan
			Plan	Actual		
--	1.4	1.0	1.5	1.4	1.5	1.5
Explanation of Shortfall: The Secret Service reported \$1.4 billion in avoided financial crime losses versus the FY 2001 target of \$1.5 billion. Given this small difference, the Service considers this a success.						
Performance Measure: <i>Counterfeit notes passed on to the public - U.S. (\$ in millions)</i>						
Definition: This measure reports the total amount of counterfeit currency passed on to the public within the U.S. The measure is calculated using the face value of the counterfeit currency reported.						
1998 Actual	1999 Actual	2000 Actual	2001		2002 Plan	2003 Plan
			Plan	Actual		
40.0	39.2	39.7	40.0	47.5	45.0	45.0
Explanation of Shortfall: Note passing activity has been relatively stable over the last few fiscal years. This is the first fiscal year since FY 1997 that passing activity has increased to this extent. Out year estimates are being re-examined to determine if current estimates are realistic.						
Performance Measure: <i>Actual financial crime loss (\$ in millions)</i>						
Definition: This measure reports the actual dollar loss involved in financial crime cases investigated and closed by the Secret Service.						
1998 Actual	1999 Actual	2000 Actual	2001		2002 Plan	2003 Plan
			Plan	Actual		
--	499	379	535	663	535	535
Performance Measure: <i>Counterfeit passed per million dollars of genuine U.S. currency (in dollars)</i>						
Definition: This measure is an indicator of the proportion of counterfeit currency relative to the amount of genuine U.S. currency in circulation.						
1998 Actual	1999 Actual	2000 Actual	2001		2002 Plan	2003 Plan
			Plan	Actual		
92	78	76	90	84	83	83
Performance Measure: <i>Counterfeit notes passed on to the public - overseas (\$ in millions)</i>						
Definition: This measure reports the total amount of counterfeit currency passed on to the public overseas. The measure is calculated using the face value of the counterfeit currency reported.						
1998 Actual	1999 Actual	2000 Actual	2001		2002 Plan	2003 Plan
			Plan	Actual		
3.2	1.4	1.4	5.0	1.5	5.0	5.0

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Treasury Forfeiture Fund (TFF)

Performance Measure: *Percentage of forfeited cash proceeds resulting from high-impact cases*

Definition: Measures the percentage of forfeited cash proceeds resulting from high-impact cases (those with asset seizures in excess of \$100,000). This measure is calculated by dividing the total amount of forfeited cash proceeds from cases greater than \$100,000 by the total amount of forfeited cash proceeds for all cases. Focusing on strategic cases and investigations which result in high-impact seizures will effect the greatest damage to criminal organizations while accomplishing the ultimate objective - to punish and deter criminal activity.

1998 Actual	1999 Actual	2000 Actual	2001		2002 Plan	2003 Plan
			Plan	Actual		
--	--	--	75.00	78.54	75.00	75.00

**LE3: Protect Our Nation's Borders and Major International Terminals
from Traffickers and Smugglers of Illicit Drugs**

U.S. Customs Service (Customs)

Performance Measure: <i>Narcotics seizures - cocaine (number of seizures)</i>						
Definition: The number of incidents of cocaine seized within the territorial jurisdiction of the U.S. (or in pre-clearance locations) by or with the participation of Customs officers, as reported in Customs Law Enforcement Activity Report of the Seized Asset and Case Tracking System.						
1998 Actual	1999 Actual	2000 Actual	2001		2002 Plan	2003 Plan
			Plan	Actual		
2,364	2,509	2,489	2,500	2,698	2,500	tbd
Explanation of FY 2003 Plan: Customs's FY 2003 Annual Performance Plan was under review at the time of publication.						
Performance Measure: <i>Narcotics seizures - cocaine (thousands of pounds)</i>						
Definition: The amount of cocaine seized within the territorial jurisdiction of the U.S. (or in pre-clearance locations) by or with the participation of Customs officers, as reported in the Customs Law Enforcement Activity Report of the Seized Asset and Case Tracking System.						
1998 Actual	1999 Actual	2000 Actual	2001		2002 Plan	2003 Plan
			Plan	Actual		
157.0	160.4	150.0	160.0	190.9	160.0	tbd
Explanation of FY 2003 Plan: Customs's FY 2003 Annual Performance Plan was under review at the time of publication.						
Performance Measure: <i>Narcotics seizures - cocaine (pounds per seizure)</i>						
Definition: The average amount of cocaine seized within the territorial jurisdiction of the U.S. (or in pre-clearance locations) by or with the participation of Customs officers, as reported in the Customs Law Enforcement Activity Report of the Seized Asset and Case Tracking System. Pounds per seizure for cocaine is derived by dividing the pounds seized by the total number of seizures.						
1998 Actual	1999 Actual	2000 Actual	2001		2002 Plan	2003 Plan
			Plan	Actual		
66.4	63.9	60.3	64.0	70.8	64.0	tbd
Explanation of FY 2003 Plan: Customs's FY 2003 Annual Performance Plan was under review at the time of publication.						
Performance Measure: <i>Narcotics seizures - heroin (number of seizures)</i>						
Definition: The number of incidents of heroin seized within the territorial jurisdiction of the U. S. (or in pre-clearance locations) by or with the participation of Customs officers, as reported in Customs Law Enforcement Activity Report of the Seized Asset and Case Tracking System.						
1998 Actual	1999 Actual	2000 Actual	2001		2002 Plan	2003 Plan
			Plan	Actual		
1,049	911	859	860	916	860	tbd
Explanation of FY 2003 Plan: Customs's FY 2003 Annual Performance Plan was under review at the time of publication.						

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Performance Measure: <i>Narcotics seizures - heroin (thousands of pounds)</i>						
Definition: The amount of heroin seized within the territorial jurisdiction of the U.S. (or in pre-clearance locations) by or with the participation of Customs officers, as reported in the Customs Law Enforcement Activity Report of the Seized Asset and Case Tracking System.						
1998 Actual	1999 Actual	2000 Actual	2001		2002 Plan	2003 Plan
			Plan	Actual		
3.0	1.9	2.6	2.6	3.6	2.6	tbd
Explanation of FY 2003 Plan: Customs's FY 2003 Annual Performance Plan was under review at the time of publication.						
Performance Measure: <i>Narcotics seizures - heroin (pounds per seizure)</i>						
Definition: The average amount of heroin seized within the territorial jurisdiction of the U.S. (or in pre-clearance locations) by or with the participation of Customs officers, as reported in the Customs Law Enforcement Activity Report of the Seized Asset and Case Tracking System. Pounds per seizure for heroin is derived by dividing the pounds seized by the total number of seizures.						
1998 Actual	1999 Actual	2000 Actual	2001		2002 Plan	2003 Plan
			Plan	Actual		
2.9	2.1	3.0	3.0	3.9	3.0	tbd
Explanation of FY 2003 Plan: Customs's FY 2003 Annual Performance Plan was under review at the time of publication.						
Performance Measure: <i>Narcotics seizures - marijuana (number of seizures)</i>						
Definition: The number of incidents of marijuana seized within the territorial jurisdiction of the U. S. (or in pre-clearance locations) by or with the participation of Customs officers, as reported in Customs Law Enforcement Activity Report of the Seized Asset and Case Tracking System.						
1998 Actual	1999 Actual	2000 Actual	2001		2002 Plan	2003 Plan
			Plan	Actual		
15,545	15,699	14,861	15,280	14,587	15,280	tbd
Explanation of Shortfall: The number of marijuana seizures in FY 2001 was 4.5 percent below projection and 1.9 percent below the number in FY 2000. At the same time, more pounds of marijuana were seized by Customs in FY 2001 than in any other year. Greater load sizes, in general, may have contributed to the drop in the number of seizures. Another possible factor is the heightened state of alert on the border in the three weeks following the events of September 11, 2001, which deterred the entrance into the country of hundreds of smaller, personal-sized loads.						
Explanation of FY 2003 Plan: Customs's FY 2003 Annual Performance Plan was under review at the time of publication.						
Performance Measure: <i>Narcotics seizures - marijuana (thousands of pounds)</i>						
Definition: The amount of marijuana seized within the territorial jurisdiction of the U.S. (or in pre-clearance locations) by or with the participation of Customs officers, as reported in the Customs Law Enforcement Activity Report of the Seized Asset and Case Tracking System.						
1998 Actual	1999 Actual	2000 Actual	2001		2002 Plan	2003 Plan
			Plan	Actual		
956.0	1,147.6	1,291.5	1,370.0	1,503.9	1,370.0	tbd
Explanation of FY 2003 Plan: Customs's FY 2003 Annual Performance Plan was under review at the time of publication.						

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Performance Measure: <i>Narcotics seizures - marijuana (pounds per seizures)</i>						
Definition: The average amount of marijuana seized within the territorial jurisdiction of the U.S. (or in pre-clearance locations) by or with the participation of Customs officers, as reported in the Customs Law Enforcement Activity Report of the Seized Asset and Case Tracking System. Pounds per seizure for marijuana is derived by dividing the pounds seized by the total number of seizures.						
1998 Actual	1999 Actual	2000 Actual	2001		2002 Plan	2003 Plan
			Plan	Actual		
61.5	73.1	86.9	89.7	103.1	89.7	tbd
Explanation of FY 2003 Plan: Customs's FY 2003 Annual Performance Plan was under review at the time of publication.						
Performance Measure: <i>Targeting efficiency: air travel</i>						
Definition: This measure compares the number of violations found during targeted selective examinations to a random sample. This measure is a statistically valid estimate of the effectiveness of primary processing in identifying high-risk passengers or vehicles that are in violation of any major violation.						
1998 Actual	1999 Actual	2000 Actual	2001		2002 Plan	2003 Plan
			Plan	Actual		
7.1	8.8	15.4	9.0	15.7	10.0	tbd
Explanation of FY 2003 Plan: Customs's FY 2003 Annual Performance Plan was under review at the time of publication.						
Performance Measure: <i>Targeting efficiency: vehicles</i>						
Definition: This measure compares the number of violations found during targeted selective examinations to a random sample. This measure is a statistically valid estimate of the effectiveness of primary processing in identifying high-risk passengers or vehicles that are in violation of any major violation.						
1998 Actual	1999 Actual	2000 Actual	2001		2002 Plan	2003 Plan
			Plan	Actual		
9	8.3	11.1	10.8	18.3	11.0	tbd
Explanation of FY 2003 Plan: Customs's FY 2003 Annual Performance Plan was under review at the time of publication.						
Performance Measure: <i>Compliance rate: air travel</i>						
Definition: This measures the percent of air passengers in compliance with all Federal, State and local laws and regulations. The percent of compliant passenger data is a statistically valid estimate of the percentage of passengers approaching the port-of-entry that are not in violation of any laws, rules, regulations, or agreements enforced by Customs. The rate of compliance is determined by estimating the total number of violations present in the population of air passengers approaching the port-of-entry and dividing it by the total number of air passengers subject to random sampling at the port-of-entry.						
1998 Actual	1999 Actual	2000 Actual	2001		2002 Plan	2003 Plan
			Plan	Actual		
97.70	97.40	98.40	98.50	98.43	99.00	tbd
Explanation of Shortfall: Final data for air travel is an increase in the compliance rate over FY 2000 data. This reflects the goal of incremental improvement in performance. No deficiency can be identified to explain the shortfall.						
Explanation of FY 2003 Plan: Customs's FY 2003 Annual Performance Plan was under review at the time of publication.						

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Performance Measure: <i>Compliance rate: vehicles</i>						
Definition: The percent of compliant passenger data is a statistically valid estimate of the percentage of vehicles approaching the port-of-entry that are not in violation of any laws, rules, regulations, or agreements enforced by Customs. The rate of compliance is determined by estimating the total number of violations present in the population of vehicles approaching the port-of-entry and dividing it by the total number of vehicles subject to random sampling at the port-of-entry.						
1998 Actual	1999 Actual	2000 Actual	2001		2002 Plan	2003 Plan
			Plan	Actual		
99.95	97.60	99.50	98.50	99.30	99.00	tbd
Explanation of FY 2003 Plan: Customs's FY 2003 Annual Performance Plan was under review at the time of publication.						
Performance Measure: <i>Cycle time: air travel</i>						
Definition: This measures the average time in minutes for 95 percent of air passengers to clear Customs from checked luggage retrieval to exit. Process involves sampling at selective airports.						
1998 Actual	1999 Actual	2000 Actual	2001		2002 Plan	2003 Plan
			Plan	Actual		
5	5	5	5	5	5	tbd
Explanation of FY 2003 Plan: Customs's FY 2003 Annual Performance Plan was under review at the time of publication.						
Performance Measure: <i>Cycle time: vehicles (Northern border)</i>						
Definition: This measures the average time in minutes for non-commercial vehicles to be processed through initial screening. In the land vehicle environment, the average time it takes a non-commercial vehicle to be processed through the initial border screening (primary process) at all land border ports. Process involves sampling land environment perception information obtained from drivers.						
1998 Actual	1999 Actual	2000 Actual	2001		2002 Plan	2003 Plan
			Plan	Actual		
--	20	20	20	20	20	tbd
Explanation of FY 2003 Plan: Customs's FY 2003 Annual Performance Plan was under review at the time of publication.						
Performance Measure: <i>Cycle time: vehicles (Southern border)</i>						
Definition: This measures the average time in minutes for non-commercial vehicles to be processed through initial screening. In the land vehicle environment, the average time it takes a non-commercial vehicle to be processed through the initial border screening (primary process) at all land border ports. Process involves sampling land environment perception information obtained from drivers.						
1998 Actual	1999 Actual	2000 Actual	2001		2002 Plan	2003 Plan
			Plan	Actual		
--	30	30	30	30	30	tbd
Explanation of FY 2003 Plan: Customs's FY 2003 Annual Performance Plan was under review at the time of publication.						

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Performance Measure: <i>APIS rate</i>						
Definition: The percentage of non-pre-cleared flights with passenger data provided prior to arrival to Customs by the Advance Passenger Information System (APIS). APIS is a cooperative effort between Federal Inspection Service agencies and the airline industry, designed to provide effective narcotics interdiction while efficiently processing compliant passengers. The rate is computed by comparing the number of names transmitted via APIS with the number of arriving passengers.						
1998 Actual	1999 Actual	2000 Actual	2001		2002 Plan	2003 Plan
			Plan	Actual		
75	79	81	82	85	84	tbd
Explanation of FY 2003 Plan: Customs's FY 2003 Annual Performance Plan was under review at the time of publication.						
Performance Measure: <i>Number of air drops</i>						
Definition: This measures the number of times narcotics are air dropped by suspect aircraft resulting from Customs deterrence efforts. An airdrop occurs when a suspect aircraft drops drugs or other illegal contraband to the ground or water for subsequent transportation by vehicle or vessel so that the aircraft is not subject to apprehension by Customs. This measure is reflective of the level of air smuggling activity and the detection capability of Customs and supporting government agencies.						
1998 Actual	1999 Actual	2000 Actual	2001		2002 Plan	2003 Plan
			Plan	Actual		
25	16	2	16	5	16	tbd
Explanation of Shortfall: The FY 2001 actual may reflect an increased deterrence of Customs air operations or a change in smuggling patterns.						
Explanation of FY 2003 Plan: Customs's FY 2003 Annual Performance Plan was under review at the time of publication.						
Performance Measure: <i>Number of short landings</i>						
Definition: This measures the number of landings made by suspect aircraft short of the U.S. border due to Customs deterrence efforts. Short landings are landings made by suspect aircraft at locations just outside the U.S. borders. This is a technique smugglers employ to avoid the risk of interdiction within the U.S. airspace. This measure is reflective of the level of air smuggling activity and the detection capability of Customs and supporting government agencies. Data for this indicator is collected in the Aviation and Marine Operations Reporting System by the Air and Marine Interdiction Coordination Center.						
1998 Actual	1999 Actual	2000 Actual	2001		2002 Plan	2003 Plan
			Plan	Actual		
576	913	1,149	1,150	1,338	1,150	tbd
Explanation of FY 2003 Plan: Customs's FY 2003 Annual Performance Plan was under review at the time of publication.						

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Performance Measure: <i>Response rate to BCI air and marine requests</i>						
Definition: This measures the percentage of times Customs positively responds to a Border Coordination Initiative (BCI)-related request. The BCI response rate may be equated with the launch rate and is directly affected by adequacy of equipment and number of personnel available to accomplish the Customs BCI support mission. For this performance indicator, a launch in support of BCI-related requests is a favorable response to that request. This indicator is reflected as a percentage of total BCI missions accomplished divided by the total number of BCI mission requests.						
1998 Actual	1999 Actual	2000 Actual	2001		2002 Plan	2003 Plan
			Plan	Actual		
71	65	71	71	82	71	tbd
Explanation of FY 2003 Plan: Customs's FY 2003 Annual Performance Plan was under review at the time of publication.						
Performance Measure: <i>Cross-border air smuggling events</i>						
Definition: This measures the number of times a suspect aircraft is detected entering into U.S. territory from outside its borders. A cross-border air smuggling event occurs when a suspect aircraft enters into the territory of the U.S. from outside its borders. This measure is reflective of the level of air smuggling activity and the detection capability of Customs and supporting government agencies.						
1998 Actual	1999 Actual	2000 Actual	2001		2002 Plan	2003 Plan
			Plan	Actual		
117	120	124	120	287	120	tbd
Explanation of FY 2001 Actual: A total of 287 cross-border air smuggling events were detected during FY 2001, more than twice the number projected. This increase may reflect an increase in suspect aircraft entering the U.S. or improved detection capability of Customs and supporting government agencies, or a combination of both.						
Explanation of FY 2003 Plan: Customs's FY 2003 Annual Performance Plan was under review at the time of publication.						
Performance Measure: <i>Number of no launches</i>						
Definition: This measures the percentage of times Customs is unable to launch an aircraft or vessel. A no launch report is filed anytime a pilot or marine enforcement officer is unable to launch their aircraft/vessel in support of a mission. This measure reflects the adequacy of equipment and staffing levels relative to mission requirements. The measure is derived by dividing the number of no-launch reports by the total number of launch requests.						
1998 Actual	1999 Actual	2000 Actual	2001		2002 Plan	2003 Plan
			Plan	Actual		
10.7	13.9	14.5	15.0	29.0	15.5	tbd
Explanation of Shortfall: The percentage of no launches during FY 2001 was approximately double the projection. No launches represent unfulfilled mission requirements caused by unavailability of equipment due to maintenance and/or repairs, unavailability of appropriate aircraft, unavailability of appropriate personnel, or weather conditions.						
Explanation of FY 2003 Plan: Customs's FY 2003 Annual Performance Plan was under review at the time of publication.						

LE4: Protect Our Nation's Leaders and Visiting Dignitaries

U.S. Secret Service (USSS)

Performance Measure: <i>Percentage of instances protectees arrive and depart safely</i>						
Definition: This measure reports the percentage of travel stops where the protectee safely arrives and departs. A stop is generally considered a city or other definable subdivision visited by a protectee.						
1998 Actual	1999 Actual	2000 Actual	2001		2002 Plan	2003 Plan
			Plan	Actual		
100	100	100	100	100	100	100

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LE5: Provide High-Quality Training for Law Enforcement Personnel

Federal Law Enforcement Training Center (FLETC)

Performance Measure: *Student quality of training survey: basic training*

Definition: The percentage is the number of basic training students who rate their training experience as satisfactory or higher divided by the number of students surveyed. Basic and advanced training program students are surveyed to obtain their views as to the overall quality of the training received at the FLETC. The information obtained from this survey assists the FLETC in the continuing review of program curricula. Beginning in FY 2002, this measure will be reported as Student Quality of Training.

1998 Actual	1999 Actual	2000 Actual	2001		2002 Plan	2003 Plan
			Plan	Actual		
80.0	99.0	99.2	90.0	99.9	discontinued	

Performance Measure: *Student quality of training survey: advanced training*

Definition: The percentage is the number of advanced training students who rate their training experience as satisfactory or higher divided by the number of students surveyed. Basic and advanced training program students are surveyed to obtain their views as to the overall quality of the training received at the FLETC. The information obtained from this survey assists the FLETC in the continuing review of program curricula. Beginning in FY 2002, this measure will be reported as Student Quality of Training.

1998 Actual	1999 Actual	2000 Actual	2001		2002 Plan	2003 Plan
			Plan	Actual		
80	99	99	90	100	discontinued	

Performance Measure: *Student quality of services survey: basic training*

Definition: The percentage is the number of basic training students that are satisfied with the overall quality of services received while at FLETC divided by the number of students surveyed. Beginning in FY 2002, this survey will include responses both from Basic and Advanced Training students.

1998 Actual	1999 Actual	2000 Actual	2001		2002 Plan	2003 Plan
			Plan	Actual		
--	99.0	99.5	90.0	99.6	90.0	95.0

Performance Measure: *Participating Organization satisfaction*

Definition: This measure is the combined percentage of representatives of Participating Organizations (POs) that respond to two key questions in the FLETC PO Satisfaction Survey by indicating agreement with two specific qualitative statements about FLETC service. Those two statements are: 1) "A productive, proactive partnership exists between FLETC and my agency;" and 2) "FLETC is a true partner in providing solutions to law enforcement training problems".

1998 Actual	1999 Actual	2000 Actual	2001		2002 Plan	2003 Plan
			Plan	Actual		
--	--	--	baseline	97.5	85.0	85.0

Performance Measure: *Variable unit cost per student-week of basic training*

Definition: The cost per week is calculated by taking actual expenses divided by the number of basic student-weeks trained. In FY 2002, this measure will be replaced by "Cost of Student Week of Training."

1998 Actual	1999 Actual	2000 Actual	2001		2002 Plan	2003 Plan
			Plan	Actual		
129	165	146	149	133	discontinued	

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Performance Measure: <i>Employee satisfaction</i>						
Definition: This measure is the percentage of employees who responded to the question: "Considering everything, how satisfied are you with your job?" by choosing one of these following responses: "Very Satisfied," "Satisfied," or "Slightly Satisfied." Those choosing "Slightly Dissatisfied," "Dissatisfied," and "Very Dissatisfied" are not included in the percentage. This question is one of 21 questions regarding the quality and quantity of services and programs provided by the FLETC to employees.						
1998 Actual	1999 Actual	2000 Actual	2001		2002 Plan	2003 Plan
			Plan	Actual		
--	--	--	baseline	78	70	70
Performance Measure: <i>Percentage of basic training programs held within 15 days of the requested starting date</i>						
Definition: The percentage of classes that have been requested by participating agencies that begin within 15 days of the starting date requested. The percentage is the number of classes started within 15 days of requested date divided by the total number of requested dates. In FY 2002, basic and advanced training programs will be reported in one measure "Percentage of requested training courses held within 15 days of the requested starting date."						
1998 Actual	1999 Actual	2000 Actual	2001		2002 Plan	2003 Plan
			Plan	Actual		
--	--	--	baseline	100	discontinued	
Performance Measure: <i>Percentage of advanced training programs held within 15 days of the requested starting date</i>						
Definition: The percentage of classes that have been requested by participating agencies that begin within 15 days of the starting date requested. The percentage is the number of classes started within 15 days of requested date divided by the total number of requested dates. In FY 2002, basic and advanced training programs will be reported in one measure "Percentage of requested training courses held within 15 days of the requested starting date."						
1998 Actual	1999 Actual	2000 Actual	2001		2002 Plan	2003 Plan
			Plan	Actual		
--	--	--	baseline	95.1	discontinued	
Performance Measure: <i>Percentage of confirmed export federal advanced training requests met</i>						
Definition: The percentage is the number of confirmed export training requests fulfilled divided by the total number requested. Review of the data systems supporting this measure indicated that scheduled export training is not centralized so all the data is not currently being captured. The revised measure, "percent of training classes held within 15 days of the requested starting date," is a more comprehensive measure of FLETC responsiveness. Therefore, in FY 2002, this measure is discontinued.						
1998 Actual	1999 Actual	2000 Actual	2001		2002 Plan	2003 Plan
			Plan	Actual		
--	--	--	baseline	79.9	discontinued	
Performance Measure: <i>Facilities utilization rate</i>						
Definition: This measures FLETC's utilization rate for its training facilities.						
1998 Actual	1999 Actual	2000 Actual	2001		2002 Plan	2003 Plan
			Plan	Actual		
N/A	N/A	N/A	baseline	83.1	discontinued	

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M1: Support the Achievement of Business Results

Treasury Franchise Fund

Performance Measure: *Total revenue equals or exceeds total expenses for each franchise operation for each fiscal year*

Definition: This profitability measure shows whether franchise operations' revenue exceeds or is equal to expenses to provide self-sustaining operations.

1998 Actual	1999 Actual	2000 Actual	2001		2002 Plan	2003 Plan
			Plan	Actual		
positive	positive	positive	positive	positive	positive	positive

Performance Measure: *Current ratio (current assets divided by current liabilities)*

Definition: This ratio represents the number of times current assets will pay current liabilities.

1998 Actual	1999 Actual	2000 Actual	2001		2002 Plan	2003 Plan
			Plan	Actual		
1.3	1.4	1.5	1.5	1.3	1.5	1.5

Explanation of Shortfall: The reason the target was not met is because assets were not as great as anticipated during FY 2001. For FY 2002, the Fund's assets are expected to increase at a greater rate than liabilities and further improvement in the current ratio trend should be realized.

Performance Measure: *Percentage change in total sales dollars from prior year*

Definition: This measure indicates the growth or decline in the amount of sales dollars from year-to-year. It is calculated by using sales dollars (current year)/sales dollars (prior year).

1998 Actual	1999 Actual	2000 Actual	2001		2002 Plan	2003 Plan
			Plan	Actual		
109	72	20	20	31	20	11

Performance Measure: *Number of management control deficiencies identified as defined in Circular A-123 and reporting requirements referenced therein*

Definition: Management controls, as defined in Circular A-123, are the organization, policies, and procedures used by agencies to reasonably ensure that: 1) programs achieve their intended results; 2) resources are used consistent with agency mission; 3) programs and resources are protected against waste, fraud, and mismanagement; 4) laws and regulations are followed; and 5) reliable and timely information is obtained, maintained, reported and used for decision making.

1998 Actual	1999 Actual	2000 Actual	2001		2002 Plan	2003 Plan
			Plan	Actual		
2	0	0	0	0	0	0

Performance Measure: *100% voluntary program participation*

Definition: This measure indicates the commitment of the Fund to assure those customers are free to exit agreements made with the Fund. There are no mandatory requirements for any customer to use the services of the Franchise Businesses.

1998 Actual	1999 Actual	2000 Actual	2001		2002 Plan	2003 Plan
			Plan	Actual		
100	100	100	100	100	100	100

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Performance Measure: *Unqualified Annual Financial Statement audit opinion from independent external auditors*

Definition: This measure indicates that external auditors have provided an opinion on the reasonable assurance about whether the financial statements are free of material misstatement.

1998 Actual	1999 Actual	2000 Actual	2001		2002 Plan	2003 Plan
			Plan	Actual		
met	met	met	meet	met	meet	meet

Performance Measure: *Percentage change in total number of customers serviced from prior year*

Definition: This measure indicates the growth or decline in customer count from the prior years. It is calculated by using customers serviced (current year) divided by customers serviced (prior year).

1998 Actual	1999 Actual	2000 Actual	2001		2002 Plan	2003 Plan
			Plan	Actual		
81	1	7	8	14	10	9

Departmental Offices (DO)

Performance Measure: *Percentage of performance targets met by Domestic Finance bureaus (BPD, FMS, and CDFI)*

Definition: The Under Secretary for Domestic Finance has direct oversight of these bureaus and the CDFI Fund. Success in this measure is predicated upon success by the bureaus in meeting their published performance measures.

1998 Actual	1999 Actual	2000 Actual	2001		2002 Plan	2003 Plan
			Plan	Actual		
N/A	73	83	90	88	90	90

Explanation of Shortfall: 30 of the 34 performance measures with data available were met. Awaiting data for one measure from FMS which will not be available until April 2002. Explanations of the shortfalls for those five targets that were missed are presented by FMS and CDFI with their individual measures.

Performance Measure: *Percentage of performance targets met by enforcement bureaus and major offices (Customs, ATF, USSS, FLETC, FinCEN, TFF)*

Definition: The Under Secretary for Enforcement has direct oversight over the Treasury law enforcement bureaus and works to assure their goals and measures are in conformance with policy. This measure reflects the success of this oversight.

1998 Actual	1999 Actual	2000 Actual	2001		2002 Plan	2003 Plan
			Plan	Actual		
--	64	77	82	79	85	85

Explanation of Shortfall: The reasons for the shortfalls varied with each bureau. The Office of Enforcement is currently working with the enforcement bureaus to review all performance measures with the goals of having fewer measures that are more outcome oriented and useful to the decision making process.

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Performance Measure: <i>Percent implementation of HR Connect System modules</i>						
Definition: This measure reports the number of Treasury employees whose personnel services are being provided through the new Treasury <i>HR Connect</i> system at the current level of available functionality. This measure is being discontinued as an external measure in the outyears. Treasury will continue to track this internally.						
1998 Actual	1999 Actual	2000 Actual	2001		2002 Plan	2003 Plan
			Plan	Actual		
--	12.0	19.5	25.0	28.5	discontinued	
Performance Measure: <i>Percentage of major Treasury occupations for which workforce planning processes have been completed with workforce strategies developed as needed</i>						
Definition: This measures the percentage of Treasury bureaus' major occupations around which workforce planning (strategies to fill skills gaps) has been conducted. This measure is being discontinued as Treasury is developing a comprehensive HR strategic plan that plan that will measure program success in workforce, planning strategies.						
1998 Actual	1999 Actual	2000 Actual	2001		2002 Plan	2003 Plan
			Plan	Actual		
--	--	--	50	100	discontinued	
Explanation of FY 2001 Actual: Action on this issue was greatly accelerated during FY 2001, with Treasury taking a proactive approach to addressing Departmental concern about potential skill gaps, since a large number of Treasury employees will become eligible for retirement within a few years. Working with each of the bureaus, Treasury developed a workforce planning strategy, workforce planning analyses, and analyses of restructuring plans of the bureaus.						
Performance Measure: <i>Percentage of EEO complaints resolved at the formal stage</i>						
Definition: This is a measure of the number of Equal Employment Opportunity (EEO) complaints resolved at the formal stage of the complaints process. EEO measures have been combined and revised into a more meaningful measure for the outyears.						
1998 Actual	1999 Actual	2000 Actual	2001		2002 Plan	2003 Plan
			Plan	Actual		
--	--	--	baseline	37	discontinued	
Performance Measure: <i>Percentage of EEO complaints resolved at the informal stage</i>						
Definition: This measures the number of Equal Employment Opportunity (EEO) complaints resolved before a formal complaint is filed. EEO measures have been combined and revised into a more meaningful measure for the outyears.						
1998 Actual	1999 Actual	2000 Actual	2001		2002 Plan	2003 Plan
			Plan	Actual		
42	40	38	40	40	discontinued	

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Performance Measure: <i>Percentage of bureaus with mechanisms to allow for early complaint resolution through Alternative Dispute Resolution</i>						
Definition: This measures the rate of resolution by comparing the number of employees who seek informal Equal Employment Opportunity (EEO) counseling during a given period to the number of formal EEO complaints that are filed. To increase this rate, the Department uses "Alternative Dispute Resolution" programs in a small number of situations. EEO measures have been combined and revised into a more meaningful measure for the outyears.						
1998 Actual	1999 Actual	2000 Actual	2001		2002 Plan	2003 Plan
			Plan	Actual		
--	--	39	80	80	15	20
Performance Measure: <i>Percentage of universal access to Department-wide financial analysis and reporting system</i>						
Definition: The goal of this measure is Department-wide use of a purchased financial reporting software package to produce reliable and timely financial statements which can undergo the scrutiny of an independent audit.						
1998 Actual	1999 Actual	2000 Actual	2001		2002 Plan	2003 Plan
			Plan	Actual		
--	--	8	100	100	100	100
Performance Measure: <i>Percentage of submissions that are timely and contain quality data</i>						
Definition: This measures the percentage of bureaus and reporting entities whose data is input to Treasury's financial management system (TIER) within 20 days of the end of each month and meets all systems edits.						
1998 Actual	1999 Actual	2000 Actual	2001		2002 Plan	2003 Plan
			Plan	Actual		
--	50	90	100	100	100	100
Performance Measure: <i>Delivery date of Treasury-wide financial statement and audit opinion (Target: March 1/Qualified)</i>						
Definition: This measures the quality of Treasury's financial statements in terms of the opinion rendered as a result of an independent audit.						
1998 Actual	1999 Actual	2000 Actual	2001		2002 Plan	2003 Plan
			Plan	Actual		
qualified	qualified	qualified	qualified	qualified	qualified	qualified
Performance Measure: <i>Number of open material weaknesses</i>						
Definition: Material weaknesses are significant problems (identified by GAO, the IGs and/or the Bureaus) with an organization's systems' reliability; controls on waste, fraud or abuse; mission performance; and/or compliance with laws and regulations, identified by the General Accounting Office, Treasury's Inspectors General, and/or Treasury bureaus.						
1998 Actual	1999 Actual	2000 Actual	2001		2002 Plan	2003 Plan
			Plan	Actual		
60	49	32	28	28	15	10

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Performance Measure: <i>Percent of bureaus in compliance with FFMIA financial systems requirements</i>						
Definition: This measures the percentage of Treasury bureaus that are in compliance with the Federal Financial Management Improvement Act of 1996 (FFMIA) financial systems requirements.						
1998 Actual	1999 Actual	2000 Actual	2001		2002 Plan	2003 Plan
			Plan	Actual		
--	54	54	62	67	77	80
Performance Measure: <i>Percentage of bureaus in compliance with FFMIA accounting standards</i>						
Definition: This measures the percentage of Treasury bureaus that are in compliance with the Federal Financial Management Improvement Act of 1996 (FFMIA) accounting standards requirements.						
1998 Actual	1999 Actual	2000 Actual	2001		2002 Plan	2003 Plan
			Plan	Actual		
--	54	54	62	67	77	80
Performance Measure: <i>Percentage of bureaus in compliance with FFMIA Standard General Ledger requirements</i>						
Definition: This measures the percentage of Treasury bureaus that are in compliance with the Federal Financial Management Improvement Act of 1996 (FFMIA) standard general ledger requirements.						
1998 Actual	1999 Actual	2000 Actual	2001		2002 Plan	2003 Plan
			Plan	Actual		
--	54	54	62	67	77	80
Performance Measure: <i>Percentage of new IT capital investments that are within costs, on schedule, and meeting performance targets</i>						
Definition: Under the Clinger-Cohen Act, new Information Technology (IT) investments must be selected, controlled, and evaluated using appropriate investment criteria established by the Treasury Investment Review Board. Treasury's system for tracking these criteria is the Information Technology Investment Portfolio System.						
1998 Actual	1999 Actual	2000 Actual	2001		2002 Plan	2003 Plan
			Plan	Actual		
--	baseline established	unmet (data not available)	100	unmet (data not available)	100	100
Explanation of Shortfall: Bureaus did not submit sufficient data to calculate the percentage.						
Performance Measure: <i>Percentage of micro-purchase actions</i>						
Definition: This measures the use of the purchase card for procurement actions under the micro-purchase threshold (under \$2,500), which reduce transactional administrative costs and processing time.						
1998 Actual	1999 Actual	2000 Actual	2001		2002 Plan	2003 Plan
			Plan	Actual		
--	--	--	80	98	discontinued	

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Performance Measure: <i>Percentage of contract dollars over \$25,000 that are competed</i>						
Definition: This measures whether Treasury makes the maximum use of full and open competitive procedures in order to obtain the best value for the Government and to promote fairness in the marketplace in accordance with the Competition in Contracting Act of 1984.						
1998 Actual	1999 Actual	2000 Actual	2001		2002 Plan	2003 Plan
			Plan	Actual		
89.4	86.7	93.8	75	89	77	80
Performance Measure: <i>Percentage of contract actions over \$25,000 that are competed</i>						
Definition: This measures whether Treasury makes the maximum use of full and open competitive procedures in order to obtain the best value for the Government and to promote fairness in the marketplace in accordance with the Competition in Contracting Act of 1984.						
1998 Actual	1999 Actual	2000 Actual	2001		2002 Plan	2003 Plan
			Plan	Actual		
81	85.8	86	70	86	discontinued	
Performance Measure: <i>Percentage of contract dollars awarded to small business enterprises</i>						
Definition: This measures whether Treasury ensures that a fair proportion of its dollars for purchases, contracts and subcontracts for products and services are awarded to small businesses.						
1998 Actual	1999 Actual	2000 Actual	2001		2002 Plan	2003 Plan
			Plan	Actual		
37.3	35.7	32.1	23	34	28	28
Performance Measure: <i>Percentage of all IT systems that are currently certified and accredited to operate</i>						
Definition: Per OMB Circular A-130, Appendix III, all major application and general Treasury Information Technology (IT) systems must be certified and accredited following appropriate Department/Agency IT Security guidelines. This measures the total number of major application and general support systems operating, and how many of these have been certified and accredited by a given date each year.						
1998 Actual	1999 Actual	2000 Actual	2001		2002 Plan	2003 Plan
			Plan	Actual		
--	--	7	20	16	65	70
Explanation of Shortfall: Computer security has been seriously under-funded throughout Treasury for many years, and continues to be under-funded today. Treasury is identifying internal resources which may be reallocated to support computer security programs. Current and new partnering relationships will be fostered to support these programs.						

Internal Revenue Service (IRS)

Performance Measure: <i>Full Time Equivalent per billion dollars of Gross Domestic Product</i>						
Definition: This measures Service-wide employment as a proportion of national expenditures.						
1998 Actual	1999 Actual	2000 Actual	2001		2002 Plan	2003 Plan
			Plan	Actual		
--	--	10.57	10.42	10.26	10.11	9.98

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Treasury Building/Annex Restoration and Renovation (TBARR)

Performance Measure: *Implement Phase 2 of the building modernization program (target: award contract)*

Definition: This measures award of the construction contract for Phase 2. This measure was completed in FY 2001. A new measure developed for the next phase of the project.

1998 Actual	1999 Actual	2000 Actual	2001		2002 Plan	2003 Plan
			Plan	Actual		
--	met	met	meet	met	discontinued	

Explanation of FY 2001 Actual: Contract awarded in the amount of \$19,937,467.

Treasury Inspector General for Tax Administration (TIGTA)

Performance Measure: *Potential number of taxpaying entities for whom tax administration is improved as a result of audit recommendations made during the fiscal year (in millions)*

Definition: This measures the total number of taxpaying entities for whom rights and entitlements are protected, taxpayer burden is reduced, or privacy and security over sensitive taxpayer data is improved because of audit recommendations made in audit reports issued during a fiscal year.

1998 Actual	1999 Actual	2000 Actual	2001		2002 Plan	2003 Plan
			Plan	Actual		
--	9.1	11.3	12.0	14.5	16.0	14.0

Performance Measure: *Total potential increased revenue or revenue protected as a result of audit recommendations made during the fiscal year (\$ in billions)*

Definition: This measures the total potential government revenue from either increased tax, interest and penalties from taxpayers or denied refunds, identified in final audit reports issued during the fiscal year. This includes assessment or collection of additional taxes (increased revenue), or prior denial or claims for refund, including recommendations that prevent erroneous refunds or efforts to defraud the tax system (revenue protection).

1998 Actual	1999 Actual	2000 Actual	2001		2002 Plan	2003 Plan
			Plan	Actual		
--	.58	1.40	1.10	13.70	1.20	1.20

Explanation of FY 2001 Actual: TIGTA exceeded this goal by a significant amount due to the outcome measure claimed in one audit report. The audit report involved \$11 billion (\$2.2 billion projected over a five year period) in increased revenue and/or revenue protected. The report indicated that significant tax revenue may be lost due to inaccurate reporting of Taxpayer Identification Numbers for independent contractors.

Performance Measure: *Percentage of closed investigations that meet the PCIE investigative quality standards*

Definition: This measures the number of investigations meeting President's Council for Integrity and Efficiency (PCIE) standards divided by the total number of investigations sampled during the fiscal year. It is based on a sample of close investigations.

1998 Actual	1999 Actual	2000 Actual	2001		2002 Plan	2003 Plan
			Plan	Actual		
--	--	--	90	98	90	90

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Performance Measure: *Potential monetary benefits from audit recommendations made during the fiscal year (\$ in millions)*

Definition: This measures the total questioned costs and funds that could be put to better use identified in audit reports issued in a fiscal year.

1998 Actual	1999 Actual	2000 Actual	2001		2002 Plan	2003 Plan
			Plan	Actual		
--	192.0	117.1	120.0	13,000	140	144

Explanation of FY 2001 Actual: TIGTA exceeded this goal by a significant amount due to the outcome measure claimed in one audit report. The audit report involved a cost saving of \$13 billion (\$2.6 billion projected over a five year period) in Funds Put to Better Use. The report stated that by simplifying interest laws, the IRS could improve fairness, speed refunds, and reduce annual government interest costs. The \$2.6 billion a year was based on the average amount of interest paid by the IRS over a 6-year period and represents the amount of interest that could be avoided if all overpayments are timely refunded by the IRS within 45 days.

Performance Measure: *Percentage of IRS employees working during the fiscal year who attended a TIGTA integrity briefing*

Definition: The purpose of the integrity briefings is to educate employees on the expected professional conduct as they execute their responsibilities, to include recognizing and reporting bribe overtures. Integrity briefings have a potential deterrent effect and could dissuade employees from taking inappropriate advantage of their positions.

1998 Actual	1999 Actual	2000 Actual	2001		2002 Plan	2003 Plan
			Plan	Actual		
--	36	47	33	43	33	30

Performance Measure: *Percentage of criminal investigative reports referred for prosecution within one year of case initiation*

Definition: This measure divides the number of criminal investigations referred during the fiscal year, within one year of initiation, by the total number of criminal investigations referred during the fiscal year. Criminal investigations are referred to the Assistant U.S. Attorney, state or local authorities.

1998 Actual	1999 Actual	2000 Actual	2001		2002 Plan	2003 Plan
			Plan	Actual		
--	80	85	80	90	80	73

Performance Measure: *Percentage of misconduct investigations referred to management for administrative adjudication within four months of case initiation*

Definition: This measure divides the number of misconduct cases referred to management during the fiscal year, within four months of initiation, by the total number of misconduct cases referred during the fiscal year. Misconduct investigations involve IRS or TIGTA employees.

1998 Actual	1999 Actual	2000 Actual	2001		2002 Plan	2003 Plan
			Plan	Actual		
--	51	48	62	71	64	60

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M2: Improve Customer Satisfaction

Financial Crimes Enforcement Network (FinCEN)

Performance Measure: *Percentage of customers (financial institutions) satisfied with FinCEN's analytical products that identify trends and patterns of suspect financial activities*

Definition: FinCEN provides a variety of different products to regulators, financial institutions, and law enforcement, which examine the macro-level issues regarding money laundering and other financial crimes. The purpose of this measure is to ascertain the value of these specialized products as reported by our customers.

1998 Actual	1999 Actual	2000 Actual	2001		2002 Plan	2003 Plan
			Plan	Actual		
--	--	--	baseline	--	baseline	tbd

Explanation of Shortfall: Baseline was not established in FY 2001. Baseline now expected to be set in FY 2003.

Federal Law Enforcement Training Center (FLETC)

Performance Measure: *Student quality of training survey: basic training*

Definition: The percentage is the number of basic training students who rate their training experience as satisfactory or higher divided by the number of students surveyed. Basic and advanced training program students are surveyed to obtain their views as to the overall quality of the training received at the FLETC. The information obtained from this survey assists the FLETC in the continuing review of program curricula. Beginning in FY 2002, this measure will be merged with the Student Quality of Training - Advanced Training.

1998 Actual	1999 Actual	2000 Actual	2001		2002 Plan	2003 Plan
			Plan	Actual		
80.0	99.0	99.2	90.0	99.9	discontinued	

Performance Measure: *Student quality of training survey: advanced training*

Definition: The percentage is the number of advanced training students who rate their training experience as satisfactory or higher divided by the number of students surveyed. Basic and advanced training program students are surveyed to obtain their views as to the overall quality of the training received at the FLETC. The information obtained from this survey assists the FLETC in the continuing review of program curricula. Beginning in FY 2002, this measure will be merged with the Student Quality of Training - Basic Training.

1998 Actual	1999 Actual	2000 Actual	2001		2002 Plan	2003 Plan
			Plan	Actual		
80	99	99	90	100	discontinued	

Performance Measure: *Student quality of services survey: basic training*

Definition: The percentage is the number of basic training students that are satisfied with the overall quality of services received while at FLETC divided by the number of students surveyed. Beginning in FY 2002, this survey will be given to both Basic and Advanced Training students.

1998 Actual	1999 Actual	2000 Actual	2001		2002 Plan	2003 Plan
			Plan	Actual		
--	99.0	99.5	90.0	99.6	90.0	90.0

**Appendix A: Full Report of Treasury's FY 2001 Measures by Strategic Goal
Management Enabling Goal**

Performance Measure: <i>Participating Organizations satisfaction</i>						
Definition: This measure is the combined percentage of representatives of Participating Organizations (POs) that respond to two key questions in the FLETC PO Satisfaction Survey by indicating agreement with two specific qualitative statements about FLETC Service. Those two statements are: 1) "A productive, proactive partnership exists between FLETC and my agency", and 2) "FLETC is a true partner in providing solutions to law enforcement training problems."						
1998 Actual	1999 Actual	2000 Actual	2001		2002 Plan	2003 Plan
			Plan	Actual		
--	--	--	baseline	97.5	85.0	85.0

Treasury Franchise Fund

Performance Measure: <i>Customer satisfaction approval rating</i>						
Definition: This measure indicates an objective level of customer satisfaction.						
1998 Actual	1999 Actual	2000 Actual	2001		2002 Plan	2003 Plan
			Plan	Actual		
91	87	91	93	92	92	92
Explanation of Shortfall: This target was almost met. The analysis of the results indicates that the Fund can improve in the area of customer billing and invoice reconciliation. Steps are currently being taken to improve these areas, which should result in increased customer satisfaction in the outyears.						

Financial Management Service (FMS)

Performance Measure: <i>Percentage of payments customers indicating an overall rating of satisfied or better</i>						
Definition: This measure assesses satisfaction of payments customers (i.e., Federal program agencies) with both checks and electronic payments. It is based on a survey sent to FMS's disbursing customers. It includes measures of levels of service for core businesses: electronic payments, check payments, electronic funds transfer non-receipts, electronic certification system, and overall customer service.						
1998 Actual	1999 Actual	2000 Actual	2001		2002 Plan	2003 Plan
			Plan	Actual		
99	99	99	99	100	99	99

Internal Revenue Service (IRS)

Performance Measure: <i>Employee Plans and Exempt Organizations customer satisfaction</i>						
Definition: Customers' overall level of satisfaction with the way their cases were handled by the IRS Employee Plans and Exempt Organization Determination programs.						
1998 Actual	1999 Actual	2000 Actual	2001		2002 Plan	2003 Plan
			Plan	Actual		
--	5.43	5.71	5.70	5.70	5.70	5.75

**Appendix A: Full Report of Treasury's FY 2001 Measures by Strategic Goal
Management Enabling Goal**

Performance Measure: <i>Customer satisfaction - Service Center examination</i>						
Definition: This measures the overall satisfaction level of customers who interact with IRS service center examination services where 1 indicates very dissatisfied and 7 indicates very satisfied. Customer's overall level of satisfaction with the IRS Service Center examination process based on sampling of sole proprietors and self-employed individuals and farmers, as well as individual shareholders and partners examined as a result of a corporate audit are included in the sample certain limitations apply. Certain limitations on survey data apply as identified in the full definitions of the IRS Annual Performance Plan.						
1998 Actual	1999 Actual	2000 Actual	2001		2002 Plan	2003 Plan
			Plan	Actual		
--	3.87	4.04	4.30	4.18	4.45	4.50
Explanation of Shortfall: Taxpayer dissatisfaction and the resultant shortfall in FY 2001 were due to several factors within the survey in addition to external factors such as envelopes being too small for documents requested from the taxpayer, multiple letters sent to the taxpayer to question different issues, and needed streamlining of the 90-day timeframe on no response cases. During FY 2001, development of one new publication to replace three previous documents is expected to impact satisfaction scores over the long term in the following areas: Explanation of Records Required, Consideration of Taxpayer Information, Explanation of Taxpayer Rights, Explanation of Process, and Fairness of Treatment. In FY 2002 actions to improve the satisfaction score include delivery of automated research tools to employees, tailoring work plans to particular groups of taxpayers, improved guidance and education programs targeted to the taxpayers most common problems.						
Performance Measure: <i>Customer satisfaction - Field Collection</i>						
Definition: This measures the overall satisfaction level of taxpayers contacted by field collection efforts where 1 indicates very dissatisfied and 7 indicates very satisfied. It reflects customers' overall level of satisfaction with the way their cases were handled by the IRS Field Collection program. Only those customers who owe money to the IRS and have been referred to Collection are sampled and certain sample limitations apply. Upon conversion of the Integrated Collection System (ICS) database the survey will be expanded to include the entire range of Collection cases. Certain limitations on survey data apply as identified in the full definitions of the IRS Annual Performance Plan.						
1998 Actual	1999 Actual	2000 Actual	2001		2002 Plan	2003 Plan
			Plan	Actual		
--	3.89	4.60	4.94	5.01	5.00	5.00

Appendix A: Full Report of Treasury's FY 2001 Measures by Strategic Goal
Management Enabling Goal

Performance Measure: Customer satisfaction - Toll-free

Definition: This measures the overall satisfaction level of callers to the IRS toll free assistance telephone line where 1 indicates very dissatisfied and 4 indicates very satisfied. It reflects customers' perception of IRS service received. Certain limitations on survey data apply as identified in the full definitions of the IRS Annual Performance Plan.

1998 Actual	1999 Actual	2000 Actual	2001		2002 Plan	2003 Plan
			Plan	Actual		
--	3.46	3.41	3.58	3.45	3.54	3.56

Explanation of Shortfall: Based on survey results, research is being conducted to identify areas where service can be improved. Preliminary findings from a focus group in September 2001 centered on confusing notices, lengthy phone hold times, calls not returned, and practitioner need for IRS to expand its e-file solutions. In FY 2002 implementation of data directed routing and voice recognition capability will provide IRS with an ability to assist more customers either through automated systems or live assistants, alleviating complaints around access to our systems. IRS also plans to implement two new automated communication solutions, Internet Refund information and the Remittance Transaction Research System to better deal with some of the top 20 customer complaints. In addition, IRS is refocusing its training of assistants to address specific topics/issues to better serve customers and address more of their concerns as IRS approaches the upcoming filing season.

Performance Measure: Customer satisfaction - Walk-in

Definition: This measures the overall satisfaction level with the services provided to customers coming into IRS offices where 1 indicates very dissatisfied and 7 indicates very satisfied. The surveys provide an index to represent overall satisfaction with walk-in services.

1998 Actual	1999 Actual	2000 Actual	2001		2002 Plan	2003 Plan
			Plan	Actual		
--	6.43	6.48	6.50	6.40	6.55	6.55

Explanation of Shortfall: In FY 2001, the targeted level of customer satisfaction was not achieved primarily due to taxpayer dissatisfaction with wait times for assistance in IRS centers. During FY 2001, IRS initiated several actions to positively impact the customer experience in tax assistance centers including implementing revised return preparation procedures including income limits and same day appointments to target service to those most in need of our assistance. IRS conducted Problem Solving Days throughout the nation and began to routinely incorporate the process of "Tax Solutions" (bringing the concepts developed for Problem Solving Days into each workday) in each center. It also developed a concept of operations for centers that identify actions to improve the quality and accuracy of tax law communication with taxpayers. In FY 2002, as a result of focus group feedback IRS plans to implement a new comment-card style intercept designed to provide better data on taxpayers who use the services in our taxpayer assistance centers.

**Appendix A: Full Report of Treasury's FY 2001 Measures by Strategic Goal
Management Enabling Goal**

Performance Measure: Telephone customer satisfaction - ACS

Definition: This measures the overall satisfaction level of customers who call assistors on the IRS Automated Collection System (ACS) where 1 indicates very dissatisfied and 4 indicates very satisfied. It is the percentage of calls attempted (demand) compared to the number of calls answered (calls which abandon after having been answered but while in queue for the next available assistor are not included in the count of calls answered) in the ACS. Certain limitations on survey data apply as identified in the full definitions of the IRS Annual Performance Plan.

1998 Actual	1999 Actual	2000 Actual	2001		2002 Plan	2003 Plan
			Plan	Actual		
--	3.32	3.46	3.50	3.46	3.53	3.54

Explanation of Shortfall: Taxpayer dissatisfaction and the shortfall in FY 2001 are due to needed revisions to front-end telephone response scripts, escalating wait times and lack of specialized sites to meet unique taxpayer needs. While improvements to scripts and implementation of intelligent call routing helped improve the factor for customer access additional planned improvements for FY 2002 include enhanced technology for call routing, adding Spanish language network prompts, and data directed routing. In addition, increased monitoring of telephone calls will allow us to gain better understanding of customer needs.

Performance Measure: Customer satisfaction - Field examination

Definition: This measures the customers' overall level of satisfaction with the way their cases were handled by the Field Examination Program where 1 indicates very dissatisfied and 7 indicates very satisfied. Certain limitations on survey data apply as identified in the full definitions of the IRS Annual Performance Plan.

1998 Actual	1999 Actual	2000 Actual	2001		2002 Plan	2003 Plan
			Plan	Actual		
--	4.08	4.41	4.60	4.65	4.70	5.00

U.S. Mint (Mint)

Performance Measure: ACSI score of 85%

Definition: The American Customer Satisfaction Index (ACSI) is an indicator that measures customer satisfaction.

1998 Actual	1999 Actual	2000 Actual	2001		2002 Plan	2003 Plan
			Plan	Actual		
--	86	84	85	88	85	85

Performance Measure: Federal Reserve Board customer satisfaction survey results

Definition: This measure is used to indicate the level of customer satisfaction of one of the Mint's most important customers, the Federal Reserve Board. The Federal Reserve's 12 district banks and 25 member banks are surveyed annually to measure their satisfaction with the Mint's product, customer service, and delivery. Validation: The survey is administered by a third party, within the Mint, that is not associated with the FRB staff, and it includes the entire Federal Reserve District Bank population. The survey results are anonymous and maintained on file at the U.S. Mint.

1998 Actual	1999 Actual	2000 Actual	2001		2002 Plan	2003 Plan
			Plan	Actual		
85	91	83	85	87	85	85

Appendix A: Full Report of Treasury's FY 2001 Measures by Strategic Goal
Management Enabling Goal

Treasury Inspector General for Tax Administration

Performance Measure: *Percentage of customer survey respondents who indicate TIGTA's products and services are satisfactory*

Definition: Surveys are provided to the IRS officials who have been recipients of TIGTA's products and services during the fiscal year. Customer surveys are conducted biennially. Will not be conducted in FY 2002

1998 Actual	1999 Actual	2000 Actual	2001		2002 Plan	2003 Plan
			Plan	Actual		
--	--	62	65	89	--	73

Explanation: The response rate was very low and results should be interpreted as such. The overall response rate was 44%. Four separate surveys were administered to either customers of TIGTA's Office of Audit (OA), the Office of Investigation (OI), including U.S. Attorneys (AUSA), and to Congress. Each survey had a different set of questions tailored to measure satisfaction for that particular unit.

Appendix A: Full Report of Treasury's FY 2001 Measures by Strategic Goal
Management Enabling Goal

M3: Improve Employee Satisfaction

Federal Law Enforcement Training Center (FLETC)

Performance Measure: *Employee satisfaction*

Definition: This measure is the percentage of employees who responded to the question: "Considering everything, how satisfied are you with your job?" by choosing one of these following responses: "Very Satisfied," "Satisfied," or "Slightly Satisfied." Those that choose "Slightly Dissatisfied," "Dissatisfied," and "Very Dissatisfied" are not included in the percentage. This question is one of 21 questions regarding the quality and quantity of services and programs provided by the FLETC to employees.

1998 Actual	1999 Actual	2000 Actual	2001		2002 Plan	2003 Plan
			Plan	Actual		
--	--	--	baseline	78	70	70

Internal Revenue Service (IRS)

Performance Measure: *Employee satisfaction - Agency-wide*

Definition: This measures the overall satisfaction of employee satisfaction (Servicewide) as the average percentage of favorable ratings in a survey of 12 indexes where 100% would indicate favorable in all indexes. It is a percentage measure of employee perceptions of the work environment, management practices, organizational barriers, and overall work environment that impacts an employee's efforts to do a good job.

1998 Actual	1999 Actual	2000 Actual	2001		2002 Plan	2003 Plan
			Plan	Actual		
--	55	59	60	51	54	58

Explanation of Shortfall: The decline can be attributed to the effects of the reorganization which are also showing up as negative results in the subsequent survey given to a sample of the employee population to assess the climate of the agency. The Commissioner has made improving employee satisfaction results the responsibility of each individual manager (it's an element in each manager's performance plan) and every Operating Division and Functional Division (OD and FD's). Those individual workgroup meetings are taking place now, and the results will be seen when the 2002 survey is administered beginning in April 2002. The Divisions are now analyzing their census survey results in light of their Climate Survey data to determine what (if any) additional Division-level responses are needed.

Treasury Inspector General for Tax Administration (TIGTA)

Performance Measure: *Percentage of employee survey respondents who indicate the work environment within TIGTA is a positive work experience*

Definition: This measure is calculated by dividing the number of employee respondents indicating that TIGTA provides a positive work environment by the total number of employee respondents. Customer surveys are conducted biennially.

1998 Actual	1999 Actual	2000 Actual	2001		2002 Plan	2003 Plan
			Plan	Actual		
--	--	74	60	73	--	70

Appendix B: List of Treasury's FY 2001 Measures by Bureau or Program

This appendix lists performance measures and resource information by Treasury bureau or program (and further by strategic goal). The list also references Appendix A pages which provide the full performance report of the measure.

Important Notes:

The FY 2003 budget amount includes the cost of the Administration's legislative proposal to require agencies to pay the full Government share of the accruing cost of current employees' CSRS retirement and health benefits. The FY 2001-2002 amounts are adjusted for comparability with FY 2003. The FY 1998-2000 amounts do not include these costs, which have been included in a permanent, indefinite appropriation overseen by the Office of Personnel Management.

For bureaus whose budget authority is principally provided through annual appropriations, the tables show enacted new budget authority and direct full-time equivalent employment (FTE) for FY 1998-2001 and estimates for FY 2002-2003. For bureaus whose budget authority does not come from annual appropriations, the tables show total actual "spending" or obligations and FTE for FY 1998-2001 and estimates for FY 2002-2003.

Source documents for all amounts are from the FY 2000 through FY 2003 President's Budget Appendices.

Alcohol, Tobacco and Firearms (ATF)						
	Enacted New Budget Authority & FTE				Estimated	
Fiscal Year	1998	1999	2000	2001	2002	2003
Budget (\$ in millions)	534	542	565	797	882	913
FTE	3,740	3,969	4,299	4,551	5,029	5,106

E1: Promote Domestic Economic Growth

	Page
Number of corrections made to unsafe conditions and product deficiencies reported to ATF or discovered during ATF inspections	A-3
Number of industry seminars held on ATF-regulated commodities	A-3

F4: Collect Revenue Due to the Federal Government

Taxes/fees collected from alcohol, tobacco, firearms and explosives industries (\$ in billions)	A-25
Percentage of entities filing electronically	A-25
Taxes and fees collected per dollar of collection expense	A-25

LE1: Reduce Violent Crime and the Threat of Terrorism

Crimes related costs avoided (\$ in billions)	A-47
Number of future crimes avoided	A-47
Number of firearms trace requests	A-47
Number of persons trained in IVRS	A-47
NRT customer satisfaction rating	A-47
Average trace response time (in calendar days)	A-48

Bureau of Engraving and Printing (BEP)						
	Actual Spending (obligations) & FTE				Estimated	
Fiscal Year	1998	1999	2000	2001	2002	2003
Budget (\$ in millions)	467	520	425	430	536	567
FTE	2,532	2,489	2,510	2,490	2,677	2,677

**F6: Improve the Efficiency of Production Operations and
Maintain the Integrity of U.S. Coin and Currency**

	Page
Manufacturing costs for currency	A-41
Manufacturing costs for stamps	A-41
Percentage of Federal Reserve orders met as requested	A-41
Percentage of U.S. Postal Service orders met as requested	A-41
Number of notes returned by Federal Reserve due to manufacturing defects per million notes produced	A-42
Number of stamps returned by U.S. Postal Service due to manufacturing defects per million stamps delivered	A-42
Number of notes returned by Federal Reserve because of counterfeit deterrent defects per million notes delivered	A-42
Currency shipment discrepancies per million notes	A-42
Change in productivity from prior year	A-42
Postage stamp shipment discrepancies per million stamps	A-43
Annual Financial Statement audit opinion	A-43

Bureau of the Public Debt (BPD)						
	Enacted New Budget Authority & FTE				Estimated	
Fiscal Year	1998	1999	2000	2001	2002	2003
Budget (\$ in millions)	169	172	177	191	195	200
FTE	1,744	1,481	1,459	1,467	1,518	1,478

F5: Cost-Effectively Finance the Government's Operations

	Page
Issue 95% of over-the-counter savings bonds in three weeks	A-37
Complete 90% of customer service transactions in four weeks	A-37
Conduct 100% of marketable securities auctions without error	A-37
Announce auction results within one hour 95% of the time	A-37
Complete 90% of TREASURYDIRECT customer service transactions in three weeks	A-37
Make 100% of TREASURYDIRECT interest and redemption payments timely	A-38

Appendix B: List of Treasury's FY 2001 Measures by Bureau or Program

Make 99.9% of TREASURYDIRECT interest and redemption payments accurately	A-38
Make 100% of Commercial Book Entry interest and redemption payments timely and accurately	A-38
Process 100% of Government Securities Investment Program transactions timely	A-38
Process 99.9% of Government Securities Investment Program transactions accurately	A-38

Treasury Franchise Fund						
	Actual Spending (obligations) & FTE				Estimated	
Fiscal Year	1998	1999	2000	2001	2002	2003
Budget (\$ in millions)	79	146	173	232	301	311
FTE	120	405	435	437	498	498

M1: Support the Achievement of Business Results

	Page
Total revenue equals or exceeds total expenses for each franchise operation for each fiscal year	A-63
Current Ratio (current assets divided by current liabilities)	A-63
Percentage change in total sales dollars from prior year	A-63
Number of management control deficiencies identified as defined in Circular A-123 and reporting requirements referenced therein	A-63
100% voluntary program participation	A-63
Unqualified Annual Financial Statement audit opinion from independent external auditors	A-64
Percentage change in total number of customers serviced from prior year	A-64

M2: Improve Customer Satisfaction

Customer satisfaction approval rating	A-72
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Community Adjustment and Investment Program (CAIP)						
	Enacted New Budget Authority & FTE				Estimated	
Fiscal Year	1998	1999	2000	2001	2002	2003
Budget (\$ in millions)	0	9	8	310	286	293
FTE	--	(.5)	(.5)	(1)	(.5)	(.5)

Note: FTEs to administer this program are included in DO totals.

E1: Promote Domestic Economic Growth

	Page
Number of private sector jobs created or retained through financial assistance provided by the CAIP	A-3
Number of private sector jobs created due to the provision of technical assistance on a project-specific basis	A-3

Community Development and Financial Institutions (CDFI)						
	Enacted New Budget Authority & FTE				Estimated	
Fiscal Year	1998	1999	2000	2001	2002	2003
Budget (\$ in millions)	79	95	116	118	81	68
FTE	25	45	52	53	64	68

E1: Promote Domestic Economic Growth

	Page
Amount of technical assistance grants awarded during the year (\$ in millions)	A-4
Number of CDFIs receiving financial assistance by BEA applicants that submitted a final report	A-4
Number of certified CDFIs as of year-end	A-4
Number of states/territories (and District of Columbia) to date with at least one CDFI program awardee	A-4
Number of organizations that receive technical assistance awards during the year	A-5
Non-Federal matching funds raised by CDFIs during the year (\$ in millions)	A-5
Number of CDFIs receiving financial assistance from Treasury	A-5
Number of BEA applicants that submitted a final report that provided financial assistance to CDFIs	A-5
Increase in dollar amount of community development loans, investments and services in distressed communities by BEA applicants that submitted a final report (assessment period over baseline period) (\$ in millions)	A-5
Dollar amount of private sector investment in community development entities resulting from New Markets Tax Credit Program	A-6
Number of first-time awardees under the Technical Assistance and Small and Emerging CDFI Assistance components	A-6
Amount of financial assistance provided to CDFIs by BEA applicants that submitted a final report (\$ in millions)	A-6

U.S. Customs Service (Customs)						
	Enacted New Budget Authority & FTE				Estimated	
Fiscal Year	1998	1999	2000	2001	2002	2003
Budget (\$ in millions)	1,662	2,035	1,810	2,401	3,209	2,932
FTE	16,964	17,249	16,988	17,140	18,595	19,628

E2: Maintain U.S. Leadership on Global Economic Issues

	Page
Trade compliance level	A-15
Compliance with trade laws in key industries	A-15
Compliance with NAFTA	A-15
Compliance with key export requirements: accounts	A-15

Appendix B: List of Treasury's FY 2001 Measures by Bureau or Program

Number of seizures for outbound licensing violations	A-16
Stolen vehicles seized	A-16
Outbound enforcement targeting effectiveness	A-16
Number of AES participants	A-16

F4: Collect Revenue Due to the Federal Government

Revenue collection compliance rate	A-25
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LE1: Reduce Violent Crime and the Threat of Terrorism

Number of seizures for outbound licensing violations	A-48
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LE2: Combat Money Laundering and Other Financial Crimes

Total monetary instrument seizures (\$ in millions)	A-49
Value of property seized (\$ in millions)	A-49

LE3: Protect Our Nation's Borders and Major International Transportation Terminals From Traffickers and Smugglers of Illicit Drugs

Narcotics seizures - cocaine (number of seizures)	A-53
Narcotics seizures - cocaine (thousands of pounds)	A-53
Narcotics seizures - cocaine (pounds per seizure)	A-53
Narcotics seizures - heroin (number of seizures)	A-53
Narcotics seizures - heroin (thousands of pounds)	A-54
Narcotics seizures - heroin (pounds per seizure)	A-54
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Narcotics seizures - marijuana (thousands of pounds)	A-54
Narcotics seizures - marijuana (pounds per seizures)	A-55
Targeting efficiency: air travel	A-55
Targeting efficiency: vehicles	A-55
Compliance rate: air travel	A-55
Compliance Rate: vehicles	A-56
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Number of air drops	A-57
Number of short landings	A-57
Response rate to BCI air and marine requests	A-58
Cross-border air smuggling events	A-58
Number of no launches	A-58

Departmental Offices (DO)						
	Enacted New Budget Authority & FTE				Estimated	
Fiscal Year	1998	1999	2000	2001	2002	2003
Budget (\$ in millions)	116	124	159	234	184	199
FTE	982	969	1,020	1,040	1,075	1,086

E2: Maintain U.S. Leadership on Global Economic Issues

	Page
Economic conditions in developing countries	A-17
Level of U.S. Direct Investment Abroad (\$ in billions)	A-17
U.S. meets current financing commitments and pays all arrears to multilateral development banks (\$ in millions)	A-17
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Economic conditions in foreign countries that are major U.S. trading partners - Canada	A-18

F5: Cost-Effectively Finance the Government's Operations

Percentage of borrowing policies and borrowing requirements announced to financial market participants in a timely manner	A-39
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M1: Support the Achievement of Business Results

Percentage of performance targets met by Domestic Finance bureaus (BPD, FMS and CDFI)	A-64
Percentage of all performance targets met by enforcement bureaus and major offices (USCS, ATF, USSS, FLETC, FinCEN, TFF)	A-64
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Percentage of EEO complaints resolved at the formal stage	A-65
Percentage of EEO complaints resolved at the informal stage	A-65
Percentage of bureaus with mechanisms to allow for early complaint resolution through Alternative Dispute Resolution	A-66
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Percentage of submission that are timely and contain quality data	A-66

Appendix B: List of Treasury's FY 2001 Measures by Bureau or Program

Delivery date of Treasurywide financial statement and audit opinion (Target: March 1/Qualified)	A-66
Number of open material weaknesses	A-66
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Percentage of contract actions over \$25,000 that are competed	A-68
Percentage of contract dollars awarded to small business enterprises	A-68
Percentage of all IT systems that are currently certified and accredited to operate	A-68

Financial Crimes Enforcement Network (FinCEN)						
	Enacted New Budget Authority & FTE				Estimated	
Fiscal Year	1998	1999	2000	2001	2002	2003
Budget (\$ in millions)	23	24	28	38	49	52
FTE	158	160	169	174	238	254

LE2: Combat Money Laundering and Other Financial Crimes

	Page
Average time to process a civil penalty case measured in years	A-49
Percentage of law enforcement customers satisfied with FinCEN's investigative analytical reports	A-50
Percentage of MSBs aware of the new reporting requirements	A-50
Percentage of customers (financial institutions) satisfied with FinCEN's analytical products that identify trends and patterns of suspect financial activities	A-50

M2: Improve Customer Satisfaction

Percentage of customers (financial institutions) satisfied with FinCEN's analytical products that identify trends and patterns of suspect financial activities	A-71
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Federal Law Enforcement Training Center (FLETC)						
	Enacted New Budget Authority & FTE				Estimated	
Fiscal Year	1998	1999	2000	2001	2002	2003
Budget (\$ in millions)	97	110	104	156	174	149
FTE	480	529	568	581	748	748

LE5: Provide High-Quality Training for Law Enforcement Personnel

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Student quality of training survey: basic training	A-61
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Student quality of services survey: basic training	A-61
Participating Organizations satisfaction	A-61
Variable unit cost per student-week of basic training	A-61
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M2: Improve Customer Satisfaction

Student quality of training survey: basic training	A-71
Student quality of training survey: advanced training	A-71
Student quality of services survey: basic training	A-71
Participating Organizations satisfaction	A-72

M3: Improve Employee Satisfaction

Employee Satisfaction	A-77
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Financial Management Service (FMS)

	Enacted New Budget Authority & FTE				Estimated	
Fiscal Year	1998	1999	2000	2001	2002	2003
Budget (\$ in millions)	208	196	201	266	223	232
FTE	2,001	1,933	2,028	1,728	1,818	1,818

F1: Manage the Federal Government's Accounts

	Page
FMS will collect electronically the total dollar amount of Federal government receipts	A-19

F2: Ensure All Federal Payments are Accurate and Timely

FMS will make paper check and electronic funds transfer (EFT) payments on time	A-21
FMS will make paper check and electronic funds transfer (EFT) payments accurately	A-21
FMS will adjudicate forgery and non-receipt check claims within 14 days	A-21
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FMS will make Treasury payments and associated information electronically	A-21

F3: Provide Accurate and Timely Financial Information and Support the Government-wide Implementation of Accounting Standards

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FMS will issue government-wide accounting reports on time	A-23
Percentage of reporting ALCs of Federal organizations with central audit differences less than six months old	A-23
Percentage of Federal agency reports for the <i>Financial Report of the U.S. Government</i> processed by FMS within the established standard range	A-23
FMS will receive a unqualified audit opinion on FMS's Schedule of Non-entity Assets, Non-entity Costs, Non-entity Custodial Revenues, and the Schedule of Non-entity Cash	A-24
Percentage decrease in unresolved prior year recommendations and audit findings that prevent a clean opinion on the audit of the <i>Financial Report of the U.S. Government</i> (until 1998 known as the CFS)	A-24

F4: Collect Revenue Due to the Federal Government

FMS will increase to 75% the amount of delinquent debt that is referred to Treasury for collection, as compared to the amount of delinquent debt that is eligible for referral	A-26
FMS will increase debt collection through all available tools from the FY 1998 baseline of \$1.988 billion to \$2.4 billion	A-26

M2: Improve Customer Satisfaction

Percentage of payments customers indicating an overall rating of satisfied or better	A-72
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Internal Revenue Service (IRS)						
	Enacted New Budget Authority & FTE				Estimated	
Fiscal Year	1998	1999	2000	2001	2002	2003
Budget (\$ in millions)	7,636	7,727	8,072	9,352	9,936	10,418
FTE	95,679	96,343	95,155	97,707	99,901	101,080

F4: Collect Revenue Due to the Federal Government

	Page
Percentage of AUR quality	A-26
Number of returns examined (Service Center examinations)	A-26
Number of returns closed (Coordinated Industry)	A-27
Appeals cases closed	A-27
Number of TAS cases closed	A-27
ACS closures - Taxpayer Delinquent Accounts	A-28
Electronic Federal tax payments (in millions)	A-28
Employee Plans and Exempt Organization determination letters	A-28
Toll-free tax law quality	A-29
Percentage of individual returns filed electronically	A-29

Appendix B: List of Treasury's FY 2001 Measures by Bureau or Program

Field Collection - number of cases closed - Taxpayers Delinquent Investigations	A-29
Toll-free level of service	A-30
Service Center examination quality	A-30
AUR closures	A-30
Field Collection quality	A-31
ACS level of service	A-31
ACS closures - TDI	A-31
Field collection - number of cases closed - Taxpayer Delinquent Account	A-32
Number of Private Letter Rulings issued	A-32
Number of Taxpayer Advocacy projects	A-32
IRS Digital Daily Hits (in billions)	A-32
Toll-free accounts quality	A-32
Field Examination case quality score	A-33
TAS casework quality index	A-33
Individual Return Examinations greater than \$100,000	A-33
Individual Return Examinations less than \$100,000	A-33
Total individual returns	A-34
Number of returns examined (Business and General Industry)	A-34
Number of cases examined (Coordinated Industry)	A-34
Employee Plans/Exempt Organizations examination cases closed	A-35
Employee Plans/Exempt Organizations examination quality	A-35

M1: Support the Achievement of Business Results

Full Time Equivalent per billion dollars of Gross Domestic Product	A-68
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M2: Improve Customer Satisfaction

Employee Plans and Exempt Organizations customer satisfaction	A-72
Customer satisfaction - Service Center examination	A-73
Customer satisfaction - Field Collection	A-73
Customer satisfaction - Toll-free	A-74
Customer satisfaction - Walk-in	A-74
Telephone customer satisfaction - ACS	A-75
Customer satisfaction - Field examination	A-75

M3: Improve Employee Satisfaction

Employee satisfaction - Agency-wide	A-77
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U.S. Mint (Mint)						
	Actual Spending (obligations) & FTE				Estimated	
Fiscal Year	1998	1999	2000	2001	2002	2003
Budget (\$ in millions)	1,004	1,413	1,353	1,063	884	929
FTE	2,010	2,290	2,676	2,760	2,536	2,467

F6: Improve the Efficiency of Production Operations and Maintain the Integrity of U.S. Coin and Currency

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Frequency of time meeting a minimum, seasonal-adjusted inventory level	A-43
Numismatic profit margin for non-bullion	A-43
Dollar losses of reserve value	A-43
Percentage of recurring coin products shipped within standard	A-44
Percentage of commemorative coins shipped within standard	A-44
Numismatic profit margin for bullion	A-45
Conversion cost to produce 1000 coin equivalents	A-45

M2: Improve Customer Satisfaction

ACSI score of 85%	A-75
Federal Reserve Board customer satisfaction survey results	A-75

Office of the Comptroller of the Currency (OCC)						
	Actual Spending (obligations) & FTE				Estimated	
Fiscal Year	1998	1999	2000	2001	2002	2003
Budget (\$ in millions)	357	403	396	424	441	462
FTE	2,785	2,946	2,920	2,837	2,841	2,841

E1: Promote Domestic Economic Growth

	Page
Percentage of regulations and handbooks drafted that incorporate plain language criteria	A-6
Percentage of on-time performance for processing corporate applications	A-7
Statement of reasonable assurance under the FMFIA and substantial compliance under the FFMIA is issued	A-7
Percentage of bank examinations conducted as scheduled	A-7
Average time to process customer complaints and consumer inquiries (in days)	A-7
Percentage of capital projects for major systems meeting funding, schedule and performance targets	A-8
Percentage of planned training accomplished	A-8

Appendix B: List of Treasury's FY 2001 Measures by Bureau or Program

Office of Thrift Supervision (OTS)						
	Actual Spending (obligations) & FTE				Estimated	
Fiscal Year	1998	1999	2000	2001	2002	2003
Budget (\$ in millions)	139	155	156	166	168	173
FTE	1,269	1,266	1,254	1,211	1,177	1,165

E1: Promote Domestic Economic Growth

	Page
Percentage of thrift survey responses that rate the examination process as being "satisfactory" or "better than satisfactory"	A-8
Percentage of regulatory staff who will receive at least 30 hours of training designed to keep them current in regulatory issues and industry developments	A-8
Percentage of thrift institutions that, within sixty days of having received an unsatisfactory safety and soundness rating, are either subject to a formal or informal enforcement action or as to which such action or have had action waived	A-9
Percentage of thrift institutions that, within sixty days of having received an unsatisfactory compliance rating, are either subject to a formal or informal enforcement action or have had such action waived	A-9
Percentage of OTS-regulated thrift institutions that are either at least adequately capitalized, operating under an approved Capital Plan or PCA Directive, have been undercapitalized for less than 150 days, or have received prior approval by the Deputy Director for exceeding the 150-day timeframe for issuance of a PCA Directive	A-9
Number of service plans that met their standards divided by the total number of service plans	A-10
Percentage of thrifts that received safety and soundness examinations of those scheduled	A-10
Percentage of thrifts that received compliance examinations of those scheduled	A-10
Percentage of thrifts that received holding company examinations of those scheduled	A-11
Percentage of thrifts that received information systems examinations of those scheduled	A-11
Percentage of thrifts that received trust examinations of those scheduled	A-11
Percentage of examination reports reviewed that are deemed generally consistent with OTS examination policies and procedures	A-12
Percentage of identified community development-related regulatory barriers addressed (either investment authority or CRA)	A-12
Percentage of thrifts with less than satisfactory CRA ratings assigned to which OTS offers or provides one-on-one community development related outreach and technical assistance to within 60 days of completion of the examination	A-12
Percentage of thrift participants to those targeted	A-13
Percentage of targeted new areas or groups reached	A-13
Percentage of planned outreach, training, or partnership building events OTS sponsored or participated in	A-13
Meet the application processing timeframes except when an application contains an issue of law or policy	A-14
Percentage of planned regulatory reinvention projects completed in question and answer plain language format	A-14
Number of new partnerships formed, activities/programs commenced or investments made as a result of training, or partnership building activities	A-14

Appendix B: List of Treasury's FY 2001 Measures by Bureau or Program

The events participated in or presentations given by senior management on community development related topics	A-14
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U.S. Secret Service (USSS)						
	Actual Spending (obligations) & FTE				Estimated	
Fiscal Year	1998	1999	2000	2001	2002	2003
Budget (\$ in millions)	574	688	712	860	1,096	1,048
FTE	4,758	4,893	5,245	5,556	5,991	6,111

LE2: Combat Money Laundering and Other Financial Crimes

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Percentage of cases accepted for federal prosecution	A-50
Financial crime loss avoided (\$ in billions)	A-51
Counterfeit notes passed on to the public - U.S. (\$ in millions)	A-51
Actual financial crime loss (\$ in millions)	A-51
Counterfeit passed per million dollars of genuine U.S. currency (in dollars)	A-51
Counterfeit notes passed on to the public - overseas (\$ in millions)	A-51

L4: Protect Our Nation's Leaders and Visiting Dignitaries

Percentage of instances protectees arrive and depart safely	A-59
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Treasury Building/Annex Restoration and Renovation (TBARR)						
	Actual Spending (obligations) & FTE				Estimated	
Fiscal Year	1998	1999	2000	2001	2002	2003
Budget (\$ in millions)	10	27	23	31	29	33
FTE	--	10	12	8	10	10

M1: Support the Achievement of Business Results

	Page
Implement Phase 2 of the building modernization program (target: award contract)	A-69

Appendix B: List of Treasury's FY 2001 Measures by Bureau or Program

Treasury Forfeiture Fund (TFF)						
	Actual Spending (obligations) & FTE				Estimated	
Fiscal Year	1998	1999	2000	2001	2002	2003
Budget (\$ in millions)	339	348	380	252	250	250
FTE	251	313	--	--	--	--

LE2: Combat Money Laundering and Other Financial Crimes

	Page
Percentage of forfeited cash proceeds resulting from high-impact cases	A-52

Treasury Inspector General for Tax Administration (TIGTA)						
	Actual Spending (obligations) & FTE				Estimated	
Fiscal Year	1998	1999	2000	2001	2002	2003
Budget (\$ in millions)	N/A	N/A	112	125	133	132
FTE	N/A	N/A	922	922	995	947

Note: TIGTA was established by the IRS Restructuring and Reform Act of 1998 and became operational in January 1999. FY 2000 was the first year that TIGTA received appropriations.

M1: Support the Achievement of Business Results

	Page
Potential number of taxpaying entities for whom tax administration is improved as a result of audit recommendations made during the fiscal year (in millions)	A-69
Total potential increased revenue or revenue protected as a result of audit recommendations made during the fiscal year (\$ in billions)	A-69
Percentage of closed investigations that meet the PCIE investigative quality standards	A-69
Potential monetary benefits from audit recommendations made during the fiscal year (\$ in millions)	A-70
Percentage of IRS employees working during the fiscal year who attended a TIGTA integrity briefing	A-70
Percentage of criminal investigative reports referred for prosecution within one year of case initiation	A-70
Percentage of misconduct investigations referred to management for administrative adjudication within four months of case initiation	A-70

M2: Improve Customer Satisfaction

Percentage of customer survey respondents who indicate TIGTA's products and services are satisfactory	A-76
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M3: Improve Employee Satisfaction

Percentage of employee survey respondents who indicate the work environment within TIGTA is a positive work experience	A-77
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Appendix C: Treasury's Management Challenges and High-Risk Areas

The following table summarizes the major management challenges and high-risk areas facing the Department of Treasury and its bureaus as identified by the sources listed below. Included in the table are actions taken by the respective bureau during FY 2001 to address the particular challenge.

Sources:

- General Accounting Office (GAO): "Major Management Challenges and Program Risks: Department of the Treasury," GAO-01-254, January 2001.
 - Office of the Inspector General (OIG): Letter to the Honorable Richard K. Arney from Treasury Inspector General Jeffrey Rush, Jr., December 1, 2000.
 - Treasury Inspector General for Tax Administration (TIGTA): Letter to the Honorable Richard K. Arney from TIGTA David C. Williams, December 1, 2000.
-

Management Challenge/ High-Risk Area	FY 2001 Actions
E1. Promote Domestic Economic Growth	
<p>Safety and Soundness of the Banking Industry (OIG)</p> <p>Office of Comptroller of the Currency (OCC) and Office of Thrift Supervision (OTS) face challenges presented to the banking and thrift industry by the slowing economy and the passage of the Gramm-Leach-Bliley Financial Services Modernization Act of 1999.</p>	<p>Treasury's two bank regulatory agencies, OCC and OTS, which supervise a substantial number of U.S. commercial banks and thrift savings institutions, recognized the IG's challenge and have responded through timely, effective examinations. OTS examiners have emphasized credit reviews and paid particular attention to business-related loans.</p> <p>To meet the additional regulatory and supervisory challenges stemming from <i>Gramm-Leach-Bliley</i>, which lifted restrictions on affiliations of banks, securities firms and insurance companies, OCC examiners applied modern practices and tools to identify potential risks posed by the banking industry's rapidly evolving financial products.</p>
E2. Maintain U.S. Leadership on Global Economic Issues	
<p>Regulation of Commercial Trade and Trade Enforcement (GAO and OIG)</p> <p>The automated system Customs uses to process merchandise is outdated and unable to keep up with trade demands.</p>	<p>Customs plans to implement an "account" view of the trade community, so that companies can be evaluated in terms of their compliance risk. This will allow Customs to focus its resources on individuals / companies / industries with poor records. The timeframe for this modernization is 2003. Additionally, Automated Commercial Environment (ACE) will integrate and modernize the risk management system in the commercial environment and improve the targeting and selectivity results and provide an extensive analytical capability. This modernization is scheduled in 2004.</p>
F4. Collect Revenue Due to the Federal Government	
<p>Revenue Protection by ATF and USCS (OIG)</p> <p>Stronger internal controls and systems improvements are needed at both ATF and USCS to increase revenue collected.</p>	<p>ATF has developed stronger internal controls and system improvements to ensure that all revenue owed is collected. These efforts include a tax gap study, advanced training, the integration of ATF systems, and a targeting program that identified alcohol and tobacco taxpayers that may be difficult to collect from. In addition, ATF and the FMS are developing ways for industry members to electronically file reports and returns and pay their excise taxes and fees.</p> <p>Customs will utilize the new Automated Commercial Environment (ACE) to increase revenue collected by making trading companies aware of current duty rates, trade agreements, and classification rulings, providing alternative payment mechanisms, reducing administrative overhead, and establishing better internal controls. All will be accomplished in phases throughout the development cycle for ACE, from 2003 through 2005.</p>
<p>Internal Revenue Service Modernization (GAO and TIGTA)</p> <p>The Internal Revenue Service's operations are facing various issues and challenges in transitioning to its new structure. Substantial work remains for IRS's modernization before expected results are achieved</p>	<p>Following Restructuring and Reform Act of 1998 (RRA 98) directions, IRS designed and made substantial progress in implementing a new modernized IRS organized around customers with similar needs. The new organization focuses on providing service in three key program areas: pre-filing, filing, and post-filing compliance. The modernized IRS organization was officially inaugurated on October 1, 2000. The final stages of implementation, including the redistribution of workload, will require another year through FY 2002.</p>

Management Challenge/ High-Risk Area	FY 2001 Actions
<p>Financial Management Affecting Treasury's Role as Fiscal Agent (GAO)</p> <p>Improvements are needed in collecting delinquent debt owed to the Government, computer security controls, and preparing reliable U. S. financial statements.</p>	<p>Collecting Delinquent Debt Owed to the Government: In FY 2001, The FMS implemented two more payment types for offset: Social Security Benefit and Federal salary. It also expanded the Continuous Levy (Offset) Program to include Federal Salaries. In addition, FMS developed improved procedures to monitor agencies' plans for referral of delinquent debt for cross-servicing, requested that the Office of Management and Budget (OMB) develop audit guidelines for eligible debts, and worked with private collection agencies to address their concerns with the distribution of delinquent debt to them for collection.</p> <p>Computer Security Controls: FMS developed an aggressive corrective action plan to fully address computer security deficiencies identified by GAO.</p> <p>Preparing Financial Statements for the Government: BPD, as it has since 1997, received unqualified opinions by outside auditors for annual financial statements representing nearly \$5.9 trillion in Federal Debt, as well as the financial statements for Loans Receivable, Federal Investments and Managed Trust Funds. At the Treasury level, a task force brought together OMB and GAO that analyzed the current process for preparing the <i>Financial Report of the U.S. Government</i>. It issued recommendations designed to resolve the current audit findings on the <i>Financial Report</i> compilation process.</p>
<p>Processing Returns and Implementing Tax Law Changes During the Tax Filing Season (TIGTA)</p> <p>Implementation of computer programming changes, reduction of tax form complexity and taxpayer burden, and other related issues remain a challenge for the IRS.</p>	<p>While major legislation (tax law change for the tax rebate) occurred in 2001, it did not happen during the traditional filing season and IRS did deliver a successful filing season in 2001.</p> <p>In 2001, IRS accomplished preparations to achieve major milestones in the 2002 filing season— virtually all 1040 forms and schedules can be filed electronically and no paper signature document is required. It will also expand the electronic payment options available to taxpayers by accepting credit cards to pay installment agreements and delinquent taxes, as well as continue a popular 2001 option allowing taxpayers who need a filing extension to get one automatically by making a simple phone call. In 2001, IRS also better served the business community. It introduced Electronic Federal Tax Payment System OnLine, which allows businesses to make federal tax payments and check their electronic payment history over the Internet. Businesses can now file on-line their Form 941 (Employers Quarterly Federal Tax Return), as well as Form 1065 (Reporting Partnership Income) and Form 940 (Employers Annual Federal Unemployment Tax Return).</p> <p>In 2001, IRS also launched the Small Business and Self-Employed Community web page, helping them with more complex tax issues than those who have their taxes withheld by an employer.</p>
<p>Providing Quality Customer Service Operations (TIGTA)</p> <p>The level of customer demand on toll-free telephone lines during the 1999 filing season was not satisfactorily managed. In person service remains an important part of providing quality customer service.</p>	<p>Customer satisfaction improved: A government-wide survey released in December 2001 demonstrated improved customer satisfaction among individual taxpayers, especially among those who file their returns electronically. The IRS posted an 11 percent increase in satisfaction among all individual tax filers since 2000 and a 22 percent increase since 1999. It was the largest gain of the 30 federal agencies surveyed by the American Customer Satisfaction Index.</p>

Management Challenge/ High-Risk Area	FY 2001 Actions
	<p>Greater proportion of calls got through: Busy signals in FY 2001 improved over the previous year; failure to achieve the level of service targets can be attributed to the significant number of calls received as a result of the tax rebate. Wait times are still unacceptable. Beginning in FY 2001 and continuing into FY 2002 and beyond, IRS is using modern technology to address these issues.</p> <p>Capacity increased: In addition, the number of frontline employees, specialized agent groups and interpretive services were increased. IRS continued extended hours of telephone service with more assistants at peak hours, and the Spanish language call site became fully operational.</p>
<p>Taxpayer Protection and Rights (TIGTA)</p> <p>Compliance with taxpayer rights requirements of the IRS Restructuring and Reform Act of 1998 (RRA 98) remains a challenge.</p>	<p>Legislative changes required by RRA 98 continue to have a profound impact on the operations of IRS. Most RRA 98 provisions, including massive training programs for thousands of employees, have been modified or implemented. These reforms will be tested over the next 2 years. During this time, significant management attention will be required to evaluate the effectiveness of the reforms. The IRS, in conjunction with Treasury Tax Policy, has drafted legislative changes to RRA 98 Section 1203, which requires termination of the employment of an IRS employee upon the final determination that he/she has committed certain acts or omissions, to moderate its unintended effect on compliance activities. These drafts were given to the staff of the Senate Committee on Finance, which asked the GAO to conduct an independent study of the effects of 1203 and provide recommendations to the Committee. The IRS awaits the results of GAO's study.</p>
<p>Impact of the Global Economy on Tax Administration (TIGTA)</p> <p>Internal control and systemic weaknesses in the IRS's Administration of international programs remain a challenge.</p>	<p>Partnerships were formed with key internal and external stakeholders for the purpose of addressing issues and providing guidance to the international tax customer population:</p> <ul style="list-style-type: none"> • The Understanding Multinational Project was used for that purpose by representatives from Australia, United Kingdom and Canada. The U.S. steering committee and technical advisors discuss joint initiatives and data/issue analysis. The project provides training courses in technical, investigative and managerial areas in the U.S. and foreign countries in conjunction with international organizations. • A Border Compliance Meeting was conducted for technical advisors, territory managers, the revenue service representative from Mexico, and members of the Strategy, Research and Program Planning staff to discuss technical issues and establish an industry exchange on the Food and Agricultural Industry Segment related to border issues. Qualified Intermediary (QI) agreements were executed with foreign banking institutions and QI-Employee Identification Numbers were assigned prior to the January 1st effective date of the new section 1441 withholding tax regulation. • Working relationships were established with the Federal Trade Commission and the Securities and Exchange Commission to address issue of Internet Identification. <p>In addition, the new foreign withholding tax regime was implemented, including ensuring that foreign financial institutions meet requirements for renewal of QI agreements and qualified intermediaries comply with terms.</p>

Management Challenge/ High-Risk Area	FY 2001 Actions
<p>Internal Revenue Service Modernization (GAO and TIGTA)</p> <p>Improve collection of unpaid taxes.</p>	<p>Traditional examination and collection activity have declined over the past several years. To offset this decline, IRS focused on risk-based compliance intervention techniques coupled with more focused and rapid intervention to improve the quality and speed of collection casework. In FY 2001 gains were realized through:</p> <ul style="list-style-type: none"> • Establishment of a strategic, coordinated approach to compliance issues, programs, and systems to ensure that cross-cutting/national compliance issues were resolved with multiple compliance solutions. • Implementation of a nationwide database for proper matching of dependency information and more timely resolution of erroneous account balances. • Hiring and training additional phone assistants to increase the number of delinquent and unreported accounts resolved and increased the number of delinquent returns secured. • Providing employees with access and capability to update account data through a single terminal, and also allowed Automated Collection System and Service Center Collection Branch employees to process cases. • Initiating a compliance strategy with capture of data from 16.8 million k-1 forms (reports shareholder of partners pass through income) for matching against information reported. • Reducing the burden on field employees and establishing control on escalating inventories. <p>The first phase of a multi-year Collection Re-engineering program was implemented to ensure that business tax cases are promptly assigned to Revenue Officers. In addition, enhancements made to the Electronic Fraud Detection system were made to include selected Business Master File data, permitting research, analysis, and evaluation of fraud detection scenarios for business returns.</p>
<p>Revenue Protection - Minimizing Tax Filing Fraud/Improving Income Credit Compliance (GAO and TIGTA)</p> <p>IRS needs to continue efforts to minimize filing fraud, especially in the Earned Income Credit program.</p>	<p>In FY 2001, mitigation of risk associated with minimizing tax filing fraud in the Earned Income Tax Credit (EITC) area was accomplished by implementation of a three-part strategy: education and outreach visits to offices with a high volume of EITC return preparers, visits by agents to review compliance with due diligence requirements, and "partnering" with Criminal Investigation to ensure investigation of known fraudulent EITC claims and schemes. The IRS also began a check of secondary social security and identification numbers associated with a qualifying child to reduce the number and amount of ineligible claims made under EITC.</p> <p>In FY 2002, IRS will continue to emphasize improved compliance with the EITC provisions of the tax code. Key to our efforts is the use of the Dependent Database (DDB). Using data provided by the Department of Health and Human Services and Social Security Administration, it is designed to identify potential non-compliant returns during returns processing.</p>

Management Challenge/ High-Risk Area	FY 2001 Actions
<p>Customer Service and Tax Compliance Initiatives</p> <p>IRS is faced with the challenge of adequately maintaining customer service while at the same time properly managing compliance resources and processes.</p>	<p>In customer service, the IRS had the largest favorable gain of the 30 federal agencies surveyed by the American Customer Satisfaction Index. It posted an 11 percent increase in satisfaction among all individual tax filers since 2000 and a 22 percent increase since 1999.</p> <p>In compliance resources and processes, in addition to efforts explained under the management challenge "Improving Earned Income Credit Compliance, IRS realized productivity gains through introducing risk-based collection strategies, increasing staffing, continuing specialization of the workforce, and technology efficiencies. Further addressing the challenge, it also created a service-wide Substitute For Return report allowing analysis of both fiscal year results and results over time, and improved controls over Research Programs.</p>
LE 1: Reduce Violent Crime and the Threat of Terrorism	
<p>Violent Crime/Gun Control (OIG and GAO)</p> <p>Violent crime remains a serious problem in the United States, and measuring Treasury's impact remains a challenge.</p>	<p>Improving Performance Measurement: ATF is addressing the OIG's concerns by developing a new cross-cutting measure, using data provided by the Department of Justice via Uniform Crime Reports from State and local law enforcement agencies. This measure will compare the violent crime rates of cities in which ATF has a substantial presence to those cities that do not. This will more fully reflect the impact of the ATF Integrated Violence Reduction Strategy and its component projects.</p>
LE 2: Combat Money Laundering and Other Financial Crimes	
<p>Money Laundering/Bank Secrecy (OIG)</p> <p>Treasury needs to continue to combat money laundering worldwide through enhanced law enforcement, improved banking supervision, and international cooperation.</p>	<p>During FY 2001, Treasury met the following National Money Laundering Strategy goals:</p> <ul style="list-style-type: none"> • Conducted two highly successful special Outbound Operations (Pressure Point/Windfall) that resulted in 362 seizures totaling \$12.7 million in cash or monetary instruments. • Established two new High-risk Money Laundering and Financial Crime Areas (HIFCA) in San Francisco and Chicago. • Implemented Plan Colombia, a \$1.3 billion dollar initiative designed to assist the Colombian government in fighting drug trafficking and money laundering. • Continued support of Project Colt, an international task force based in Montreal, Canada, which targets Canadian based telemarketing fraud. • Participated in the Financial Action Task Force (FATF), an international body whose purpose is the development and promotion of policies to combat international money laundering. • Obtained funding for four additional multi-disciplinary teams to target money-laundering systems in high-risk cities.

Management Challenge/ High-Risk Area	FY 2001 Actions
M1: Support the Achievement of Business Results	
<p>Information Security (GAO, OIG and TIGTA)</p> <p>Treasury needs to improve the security of its information technology to protect information and data from physical and electronic threats.</p>	<p>Implementation of Presidential Decision Directive 63: Presidential Decision Directive 63 requires Federal departments and agencies to establish and implement a program to protect their critical infrastructure. In FY 2001, all bureaus completed Project Matrix Step 1, by identifying all critical cyber and non-cyber assets. The final report from the National Critical Infrastructure Assurance Office to Treasury revealed a total of 32 assets of Critical Infrastructure Protection (CIP) concern. All of these 32 assets have either been scheduled for or have had a vulnerability assessment completed. Project Matrix Step 2, which identify the interdependencies of each asset, are scheduled to begin in FY 2002.</p> <p>All bureaus have a computer security incident response capability (CSIRC), and all bureaus receive Federal Critical Infrastructure Reporting Center and National Infrastructure Protection Center alerts and advisories, and apply patches, and other fixes as applicable. A statement of work has been drafted for an enterprise-wide CSIRC in FY 2002.</p> <p>The September 11 attacks increased concern in systems security. In FY 2002, cyber CIP guidelines and methodologies will be issued to Treasury bureaus and special bureau on-site assistance visits are planned. A new security awareness-training program will also begin in FY 2002.</p> <p>FMS's Entity-wide IT Security Program: FMS has developed an aggressive corrective action plan to fully address computer security deficiencies identified by GAO and is on target for full implementation of its Entity-wide IT Security Program by December of 2002. This plan includes performance measures utilizing the National Institute of Standards and Technology's and Federal Chief Information Officers Council's "Self Assessment Framework."</p> <p>IRS's Incident Response Capability: Although computer security has improved, control weaknesses continue to place automated systems and taxpayer data at serious risks to internal and external threats. In response, the IRS implemented programs to manage security risks and the costs related to mitigating them, identifying weaknesses and creating corrective action plans. An around-the-clock incident response capability was established with situation management centers to centralize responses. A strong program of awareness about unauthorized access to taxpayer information, and a security assessment framework, for achieving security objectives was adopted. In the weeks following the September 11 terrorist attacks, IRS determined what immediate steps needed to be taken, such as screening and guard services, and consistent security standards for key areas. Given the enormous volume of mail handled, IRS arranged for all mail-handling employees to now have protective-wear, and limit employees' exposure to any hazardous substances.</p>

Appendix C: Treasury's Management Challenges and High-Risk Areas

Management Challenge/ High-Risk Area	FY 2001 Actions
	<p>Customs' Security Program: In June 2001, Customs formally adopted a revised Information Systems Security Policy and Procedures Handbook, allowing for the closure of a number of open audit findings with the concurrence of staff from the Treasury Office of the Inspector General. During FY 2001, Customs received no new audit recommendations concerning information security management, while taking actions to close 22 audit recommendations. In addition, the Customs Office of Information and Technology maintains a systematic process for tracking to resolution both audit recommendations and recommendations arising from internal risk assessments. During FY 2001, Customs took actions to close 43 recommendations concerning security management emanating from its own risk assessment process. Additional information on Customs efforts to pursue a Commercial Recovery Facility (CRF) can be found under the management challenge related to compliance with the FFMIA.</p>
<p>Information Technology Investment Management (OIG)</p> <p>Improvements are needed in capital planning, investment controls, project management, systems development, and performance measurement of IT investments.</p>	<p>Implementing Information Technology Reform Act: In FY 2001, Treasury used the Information Technology Investment Portfolio System (I-TIPS) across the Department and the bureaus as part of their Capital Planning activities. Treasury worked to improve ITIPS usage and data quality, and to emphasize performance and scheduling information. All bureaus used I-TIPS as part of the FY 2003 budget process and it was also used to electronically submit required reports to the Office of Management and Budget. During FY 2002, Treasury will expand its use of I-TIPS as a management tool to collect critical performance data. In addition, Treasury plans to continue to upgrade the data quality; inform Treasury IT program managers of FASA requirements; and inform Treasury IT program managers of reporting requirements in I-TIPS. As a result, Treasury hopes to achieve the purposes of effective investment management: to align investments with the Treasury business missions, develop a repeatable investment management process, and manage initiatives.</p> <p>Also in FY 2001, Treasury's Capital Investment Review Board (CIRB) continued to give full-time attention to an expanded selection of enterprise-wide and bureau capital (IT and non-IT) investment projects. This will continue in FY 2002.</p>
<p>Implementation of GPRA (OIG)</p> <p>Treasury faces a continuing challenge in collecting and managing reliable performance data. In order to accurately report financial data and evaluate program performance, better management of cost accounting is needed.</p>	<p>Implementing a Performance Reporting System throughout Treasury: Treasury continued enhancements to its Performance Reporting System, an intranet-based system that allows bureaus to keep the Department apprised of their performance. These included presenting more detailed information in the graphics mode, additional querying capabilities, and an on-line executive users guide. In addition, Treasury performed a substantial review of performance measures validation statements to focus attention and improve data validity and reliability. Reviews sought to improve the criteria for verifying data (i.e., data collection methods, data sources, data accuracy verification, level of confidence estimates).</p> <p>Implementing managerial cost accounting throughout Treasury: Treasury is working with its bureaus to identify major programs for cost collection and program management purposes. Treasury's CFO Council continues to work to develop a policy for implementing a Department-wide cost-accounting structure.</p>

Management Challenge/ High-Risk Area	FY 2001 Actions
<p>Compliance with Federal Financial Management Improvement Act (FFMIA) of 1996 (GAO, OIG, and TIGTA)</p> <p>Treasury is not in substantial compliance with the requirements of FFMIA. Financial systems are not adequately integrated to support fiscal management of program delivery as well as budget execution functions and internal and external financial reporting requirements.</p>	<p>Treasury continues to work closely with its bureaus to address and close the open audit findings and will work in FY 2002 to ensure that actions are taken to mitigate the risk factors involved in carrying out our programs. Treasury reports on the Percent of bureaus in compliance with the requirements of the Federal Financial Management Improvement Act of 1996 as part of its set of financial management performance measures. In FY 2001 67% of our bureaus were in compliance, exceeding our target of 62%.</p> <p>FMS: FMS received an unqualified audit opinion on its statement of the Government's cash position for FY 2000. This is the fourth consecutive year FMS has received a clean opinion. In addition, FMS received an unqualified opinion on its financial statements for FY 2000, with no reportable internal control weaknesses. This represents a significant improvement compared to FMS's previous audit. FMS took an aggressive, proactive approach to resolve the deficiencies in its systems and processes that had resulted in a qualified audit opinion on FMS's FY 1999 statements.</p> <p>Customs Service: Customs' modernization effort will provide an essential element of an integrated financial system through the development of an accounts receivable subsidiary ledger. Customs has selected a PRIME contractor for building the Automated Commercial Environment (ACE), of which the subsidiary ledger is one part. The target date for completing the subsidiary ledger has not yet been established within the overall project schedule currently being developed by the contractor. In addition, Customs is working to make its financial systems compliant by replacing a variety of financial and administrative systems through use of off-the-shelf software provided by SAP Public Services, Inc. Release 1 of this project is funded and is due to be completed by April 2002. Releases 2 and 3 are scheduled to be completed by October 2004, if funding is made available.</p> <p>Customs is attempting to establish a disaster recovery capability through the option of a commercial recovery facility (CRF). Due to funding uncertainties, Customs does not have a specific milestone for initiating a contract with a CRF.</p>
<p>Internal Revenue Service Modernization (GAO and TIGTA)</p> <p>Balanced Measures: The IRS will need to develop measures of its progress toward improving customer service.</p>	<p>During FY 2001, IRS initiated several actions designed to improve the quality of performance measures data and increase its ability to measure progress through effective processes. Significant progress was made to automate the process of data reporting at the service-wide level and within the new IRS Operating Divisions. Service-wide IRS moved to a web-based Business Performance Management System that will incrementally provide for 100% automation of data along with tailored reports, templates, and integration of performance information for phases of its Strategic Planning and Budgeting cycle. The operating divisions are also engaged in automated data reporting activities through development of a data mart designed to serve both the Wage and Investment and Small Business/Self Employed divisions. At the same time, through partnership with the GAO, IRS enhanced its measures data dictionary input document to provide additional detail around the purpose, limitations, critical path and management controls for each of its strategic and critical measures. In FY 2001 IRS also began to capture baseline data and detailed definitions for its strategic level measures and plans to begin reporting on these measures in FY 2002.</p>

Management Challenge/ High-Risk Area	FY 2001 Actions
<p>Implementation of the Government Performance and Results Act of 1993 by IRS (TIGTA): IRS needs to improve their performance measures and data quality.</p>	<p>Performance measurement progress made this year includes:</p> <ul style="list-style-type: none"> • Balanced measures of business results, customer satisfaction, and employee satisfaction, including those needed to address quality as well as quantity of business results continued to be developed in FY 2001 for many compliance areas of IRS. • Each IRS division has begun establishing targets/goals for key performance measures for lower organizational units targets/goals for key performance measures. • Balanced Measures were also developed at the strategic management level and reporting mechanisms for FY 2002 have been implemented. Beginning in FY 2002, strategic measures will be used along with the critical measures to assess the IRS's overall performance in delivering its mission and strategic goals. Development of the strategic measures for voluntary compliance, burden, overall productivity, and overall customer satisfaction was completed in FY 2001. Consideration is also being given to development of an additional strategic measure to address the need to report on the portion of "Potentially Collectible Inventory" in the organization.
<p>Internal Revenue Service Modernization (GAO and TIGTA)</p> <p>Correct ongoing financial management weaknesses. IRS's current financial systems alone cannot produce reliable information necessary to prepare financial statements in accordance with federal accounting standards. In addition, the current financial systems cannot provide reliable cost accounting information.</p>	<p>A major initiative for fiscal year 2001 was beginning the development of the Integrated Financial System (IFS). This system is designed to address material weaknesses in financial reporting and bring the IRS into compliance with the Federal Financial Management Improvement Act (FFMIA). The IFS will be deployed in two releases: Release 1 will contain the core financial elements (i.e., General Ledger, A/R, A/P, Cost Accounting, payroll, and funds control), and Release 2 will provide for non-core systems (i.e., fixed assets, travel, procurement). The requirements phase of IFS was completed in October 2001, with the procurement of the software targeted for April 2002. Deployment of Release 1 is anticipated to be completed by October 2003 and Release 2 should be completed by April 2005.</p>

Appendix C: Treasury's Management Challenges and High-Risk Areas

Management Challenge/ High-Risk Area	FY 2001 Actions
<p>Internal Revenue Service Modernization (GAO and TIGTA)</p> <p>Implement effective systems modernization management controls and establish a stable program management organization for the IRS's systems modernization efforts.</p>	<p>During FY 2001, IRS made the following systems modernization planning and management improvements.</p> <ul style="list-style-type: none"> • Completed its Enterprise Architecture 1.0, or Blueprint 2000, which gives the ability to ensure that modernized projects are coordinated across the entire IRS enterprise, producing an integrated and unified set of systems, designed to eliminate duplication. • Put the first two business applications, Customer Communications FY 2001 and Customer Relationship Management Exam into service and all related projects are making progress in their development lifecycle. • Completed high-level strategies for tax administration (Tax Administration Vision and Strategy – TAVS) and internal management (Internal Management Vision and Strategy – IMVS), and approved the comprehensive Enterprise Architecture. As the modernization efforts continue, projects will all flow from one of these three foundation strategic architecture components. • Made significant progress in improving overall management of its modernization efforts by further refining the configuration and release management processes and establishment of financial controls and portfolio management to better align funding and resources with its business priorities.
<p>Treasury's Asset Forfeiture Program (GAO)</p> <p>The Asset Forfeiture Program faces inadequate information systems and financial management weaknesses, including problems with accountability over seized assets.</p>	<p>For the first time since the inception of the Treasury Forfeiture Fund in 1992, the auditors of the Fund's FY 2001 financial statements asserted that the Fund is free of any material weaknesses. Additionally, for the second consecutive year Fund managers asserted compliance with the Federal Managers' Financial Integrity Act (FMFIA) and Federal Financial Management Improvement Act (FFMIA) in the annual Assurance Statements.</p> <p>As a result of the progress the Fund has made in resolving all material weaknesses, as well as completing the majority of the corrective actions established in response to audit recommendations, the Office for the Under Secretary (Enforcement) of the Department of the Treasury has formally requested removal of the Treasury Forfeiture Fund from GAO's major challenges/high risk list.</p>

Management Challenge/ High-Risk Area	FY 2001 Actions
<p>Strategic Human Capital Management (GAO)</p> <p>Short comings involve lack of human capital planning and organizational alignment; leadership continuity and succession planning; acquiring and developing staffs whose size, skill, and deployment meet agency needs; and creating results-oriented organizational cultures.</p>	<p>Consolidation and review of workforce information: In FY 2001, the Department's Office of the Deputy Assistant Secretary for Human Resources gathered and consolidated workforce information on each of Treasury's bureaus to determine the extent of the Department's human capital planning. The result was the development of a comprehensive workforce analysis report, which was submitted to the Office of Management and Budget (OMB) along with an analysis of restructuring plans submitted by each of the bureaus. Feedback from OMB directed the Department to strengthen its strategic HR goals and to focus on future planning, including the use of personnel flexibilities, technology and succession planning.</p> <p>Development of a Human Resource (HR) Strategic Plan: In FY 2002, the Department will develop a Treasury HR Strategic Plan that will serve as a framework for FY 2002 and beyond, and will assist management in creating an environment where the entire workforce is valued and can excel to the greatest extent possible. The Strategic Plan will ensure that workforce planning strategies are in place to address skill imbalances in mission critical occupations; that bureaus fully utilize HR flexibilities and enterprise-wide technological solutions and data support HR service delivery; that effective performance management is emphasized; and that bureaus have leadership development and succession plans in place.</p>

Completeness and Reliability of Data

Treasury's Commitment to Quality Performance Measurement

The availability of quality performance information to assess program performance has long been a priority at the Department. Starting with its FY 1998 performance plans, Treasury has provided descriptive information on each performance measure to define what was being measured and the significance of the measurement. With the FY 1999 performance plans, a description of the accuracy and means to verify data was included for each measure. In the FY 2000 performance plans, bureaus were required to provide self-assessments of data quality.

These self-assessments require bureaus to rate the data for each performance measure as having:

- *Reasonable Accuracy* -- Judged to be sufficiently accurate for program management and performance reporting purposes (specified in OMB Circular A-11, Section 232.10 as "acceptably reliable")
- *Questionable or Unknown Accuracy* -- Judged to be materially inadequate
- Where statistical confidence intervals are available, these are provided instead of the rating statements

In addition, the process for submission of FY 2001 information and assurance statements attendant to the requirements of the Federal Managers' Financial Integrity Act (FMFIA) and the Federal Financial Management Improvement Act (FFMIA) required bureaus to address any data reliability issues regarding their performance measures in their assurance statement. With the exception of CDFI's Bank Enterprise Award performance measures (see "Data Reliability" section), all data was deemed to be reliable.

Completeness of Data

All performance measures with targets presented in the final FY 2001 Annual Performance Plan are reported in this report with the exceptions as noted below. Actual FY 2001 performance data for these measures will be included in the FY 2002 Program Performance Report.

E2: Maintain U.S. Leadership on Global Economic Issues

- Level of direct investment abroad (\$ in billions) -- data available July 2002

F3: Provide Accurate and Timely Financial Information and Support the Government-wide Implementation of Accounting Standards

- Percentage of Federal agency reports for the *Financial Report of the U.S. Government* processed by FMS within the established standard range -- data available April 2002

M1: Support the Achievement of Business Results

- Percentage of new IT capital investments that are within costs, on schedule, and meeting performance targets -- data was not sufficient to allow an indicator to be determined and was classified as "unmet." (The Chief Information Officer is working to improve data collection efforts in FY 2002.)

In addition, the report does not include twenty-five IRS measures presented in their final FY 2001 annual performance plan. Treasury has classified these measures as workload indicators, but not balanced performance measures for purposes of Results Act reporting. FY 2001 results information on these indicators can be found in the IRS section of Volume II of the FY 2003 Justification for Appropriations and Performance Plan.

Data Reliability

Performance data presented in this Report meets the standards for reliability set forth in OMB Circular A-11, Section 232. There is neither a refusal nor a marked reluctance by agency managers or government decision makers to use the data in carrying out their responsibilities. Data judged as materially inadequate, along with a brief reason for the inadequacy and planned corrective actions are as follows.

Bureau	Data Not Reasonably Accurate / Materially Inadequate	Reason for Inadequacy and Actions to Correct
CDFI	Increase in dollar amount of community development loans, investments and services in distressed communities by BEA applicants that submitted a final report (assessment period over baseline period) (\$ in millions)	The FY 2001 Bank Enterprise Award (BEA) program performance information is being directly reported by the BEA awardees. The CDFI fund has not corroborated the BEA awardee-reported information to assess reliability. Without further assessment and analysis, the CDFI fund cannot deem the fiscal year 2001 performance data to be reliable.
	Amount of financial assistance provided to CDFIs by BEA applicants that submitted a final report (\$ in millions)	
	Number of CDFIs receiving financial assistance by BEA applicants that submitted a final report	Actions to Correct: Validate BEA awardee reported performance data to ensure reliability. Establish methodology to corroborate performance data provided by BEA awardees to ensure accuracy and reliability.
	Number of BEA applicants that submitted a final report that provided financial assistance to CDFIs.	

Steps to Improve the Quality and Value of Performance Data

Centralized Treasury Efforts

- Teams of Treasury analysts, with the assistance of a loaned executive from OMB, performed reviews and analyses of Treasury's FY 2001 performance measures, including a review of existing verification and validation information. Results and recommendations were forwarded to bureaus for use in their data quality improvement efforts.
- Classes were conducted at several bureaus on the Department's implementation of the Results Act, including session on quality performance measures and data verification and validation using a model from GAO. Similar classes will take place in FY 2002 at other Treasury bureaus.

Major Bureau Efforts

- **IRS.** During FY 2001, IRS worked with GAO to enhance its "data dictionary" input document to provide additional detail around the purpose, limitations, critical path, and management controls for each of its strategic and critical measures. IRS also began to capture baseline data and detailed definitions for its strategic level measures and plans to begin reporting on these measures in FY 2002. Service-wide, IRS moved to a web-based Business Performance Management System that will incrementally provide for 100% automation of data along with tailored reports, templates, and integration of performance information for phases of its Strategic Planning and Budgeting cycle.
- **Customs.** Customs conducted its Self Inspections Program in FY 2001, with managers performing self-assessments of methods, procedures and performance measurements for continued improvement.

Treasury Inspectors General Efforts

- **OIG.** OIG issued a report on Customs performance measures for its Commercial Activity. Recommendations included the need for measuring both overall and significant compliance rates, and an additional measure for facilitation of trade and travel. Customs management concurred with OIG's recommendations.

